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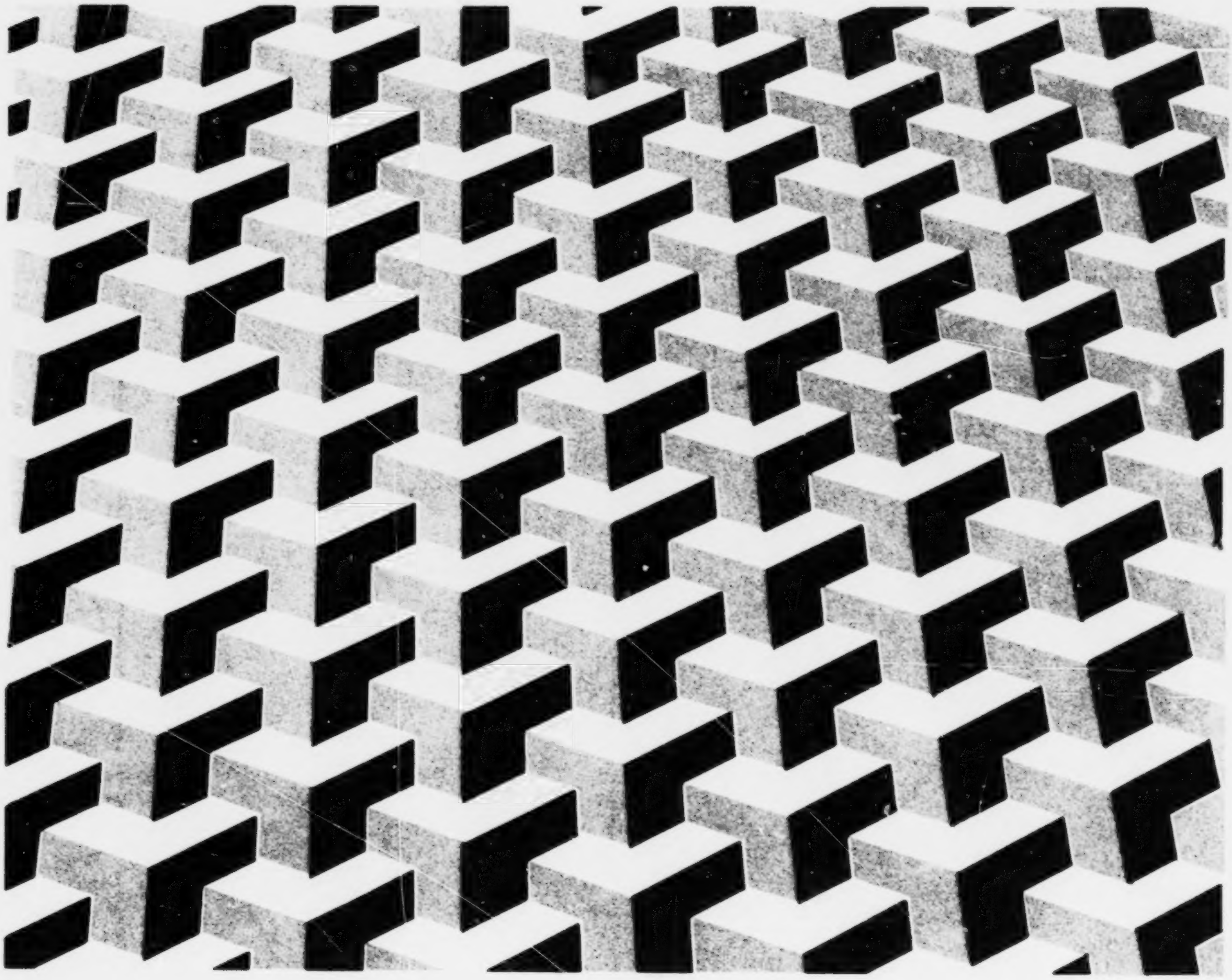
Using Private Employment Agencies To Place Welfare Recipients in Jobs:

Final Report of the Michigan Private Employment Agency Project

U.S. Department of
Health and Human Services
Social Security Administration
Office of Policy
Office of Research and Statistics
November 1981



AFDC & RELATED INCOME MAINTENANCE STUDIES

USING PRIVATE EMPLOYMENT AGENCIES TO PLACE WELFARE RECIPIENTS IN JOBS

Final Report of the Michigan Private Employment Agency Report

Prepared for:

U.S. Department of Health and Human Services
Social Security Administration
Office of Policy
Office of Research and Statistics

Prepared by:

Mathematica Policy Research

and

Michigan Department of Social Services

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The opinions and conclusions expressed herein are solely those of the authors and do not necessarily reflect the views or policies of the Department of Health and Human Services or the United States Government, nor does mention or organizations imply endorsement by the U.S. Government or the Government of the State of Michigan.

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I

Foreword

The authors wish to acknowledge the efforts of the Michigan Department of Social Services (MDSS) project staff responsible for client referrals and data collection. Their commitment to accuracy has contributed greatly to the quality of the evaluation. In Oakland County, project monitors, Willow Hagans and later Carol Turner, directed local operations while research assistant Dorothy Henderson provided strong support. The client access procedures developed by Mrs. Henderson were instrumental in obtaining a full data set for the county.

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While the authors assume collective responsibility for the report, each of them assumed first draft responsibility for specific chapters: Robert Cecil wrote Chapters I and II, George Carcagno Chapters III and V, and James Ohls Chapters IV, VI, and VII.

George J. Carcagno
Robert Cecil
James C. Ohls

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INTRODUCTION AND EXECUTIVE SUMMARY

This report describes the results of an experimental program undertaken in the state of Michigan to utilize the services of private employment agencies (PEAs) to place public assistance clients in jobs. Under the experimental program, certain clients receiving Aid for Dependent Children (ADC) benefits were referred to private employment agencies, and the state paid the PEA fees in cases of successful job placement. A rigorous experimental/control research design was used to evaluate the results of the experiment, with clients being randomly assigned either to participate in the PEA program or to receive the same public services which would have been available to them in the absence of the experimental program.

The experiment was conducted for approximately 29 months in Oakland County and for 12 months in Wayne County. In both counties the clients participating in the program were individuals in the Work Incentive Program (WIN) whom WIN workers had chosen not to work with actively. They thus represented a particularly hard-to-employ subset of the ADC population with many significant barriers to employment, including motivational problems, lack of education and job skills, health difficulties, and the unavailability of private transportation. It is important that this factor be kept in mind in assessing the experimental results reported below.

KEY FINDINGS WITH REGARD TO THE USE OF PEAs TO PLACE ADC CLIENTS IN JOBS

Following are key findings with regard to the effectiveness of using PEAs to place ADC clients in jobs:

1. Overall placement rates were disappointingly low in both counties. In Oakland County only 52 clients, 3.7 percent of all clients drawn into the program, were placed by the PEAs. In Wayne County 24 clients, 2.0 percent of the experimental population, found jobs through the PEAs. An

important factor in these low overall placement rates was that many clients could not be referred to PEAs, either because they failed to attend an orientation session or because of health or other problems. Of those actually referred to PEAs, placement rates were 9.7 percent in Oakland County and 6.2 percent in Wayne County.

2. Many placements terminated relatively quickly. Sixty percent of jobs found through PEAs in Oakland County were known to have terminated by the end of the experiment. In Wayne County, where data were available for a much shorter time, 33 percent of placements were known to have terminated. In both counties, at least 75 percent of the terminated jobs ended within four months of the initial placement.

3. Most of the jobs found through PEA placement were entry-level positions. The majority of the jobs were in clerical or service occupations, and annual starting salaries clustered in the $5,000 to $7,000 range.

4. There were no statistically significant net positive grant savings from the PEA program compared to net grant reductions in the control groups. Calculated net benefits per client were slightly positive in Oakland County but were not statistically significant. In Wayne County estimated net grant reductions were negative. This latter finding was statistically significant.

5. In most cases where placements were made by the PEAs and where the job lasted at least several months, the cost of the PEA fee could be recovered through reduced ADC payments within the first three months of the job. The principal reason why the program failed to be cost effective was not the cost of the PEA placement fees, but rather the combined effects of the administrative costs associated with orienting clients and referring them to the PEAs and the low placement rate, which meant that these costs were spread over only a small number of placed clients.

6. The overall results suggest that use of a program relying principally on private employment services is not an efficient way to provide employment services for hard-to-employ public assistance recipients. Strictly speaking, the results of the analysis apply only to two specific counties at a specific point in time. However, on the basis of the experimental findings, the authors of the report believe it very likely that similar results would be observed if the program were replicated in other contexts.

7. Limited use of PEAs may be effective as one component of an overall strategy for increasing the employment of welfare recipients. The experiment showed that in some cases PEAs can be successful in placing public assistance clients. About 36 percent of the clients in Oakland County who got as far in the program as being referred to an employer by a PEA were placed in jobs. Furthermore, the actual placement fee can usually be recouped through reduced ADC payments within the first three months after placement. It may therefore be efficient to provide public sector case workers and employment counselors with the flexibility of being able to refer selected clients to PEAs in cases where doing so appears particularly appropriate. This would retain the potential advantages of using PEAs while avoiding the heavy administrative costs [illegible] this project incurred tracking large numbers of clients through a referra [illegible] designed specifically for getting clients to the PEAs.

OTHER IMPORTANT FINDINGS.

In addition to the key conclusions highlighted in the previous section, a number of other important findings emerged from the research. These are:

8. Motivational problems were an important barrier to employment for a significant proportion of the clients in the experiment. Evidence of the existence of such problems is provided by the fact that more than half the clients in the sample, 54 percent in Oakland County and 57 percent in Wayne County, failed to attend a program orientation session. Furthermore, many of those who were referred to PEAs did not respond to PEA requests to come for an interview. Interviews with PEA job counselors and with public officials involved in the experimental and control programs also suggested that many of the clients had significant motivational problems.

9. Most clients who found jobs during the experiment found them on their own rather than through program placement. In Oakland County 25.0 percent of PEA clients and 20.4 percent of control clients found jobs on their own during the 29 months duration of the experiment. The comparable numbers in Wayne County for the 12 months duration of the experiment there were 7.3 percent and 5.5 percent. Also, a relatively high proportion of jobs found on own were at salaries higher than entry level rates.

10. Clients who found at least one job during the program, either on their own or through program placement, but whose first job terminated, had a relatively high probability of finding a second job on their own. Rates of clients finding second jobs on their own after the first job had terminated were much greater than overall rates of finding jobs. This suggests that even relatively short-lived placements may have value in helping clients to get involved in the labor market and in giving them the motivation to seek additional employment.

11. Client satisfaction with the Employment Training/Employment Marketing (ET/EM) services provided to control clients in Oakland County was relatively low. Even among clients who were recorded as ET/EM

placements, only 46 percent of interview respondents rated the program as very effective or fairly effective. Comparable rates of satisfaction among placed PEA clients were considerably higher, 81 percent. This suggests that many ET/EM clients do not perceive themselves as having been significantly helped by the program and that some jobs recorded as ET/EM placements might have been found even in the absence of the ET/EM program.

The analysis which follows is arranged in the following way. Chapter I presents an overview of the experiment, explaining its objectives and limitations, and describing its structure. Chapter II provides more specific details concerning the project operations--design and procedures. Characteristics of the sample are examined in Chapter III. Chapters IV and V, respectively, deal with program outcomes and the determinants of those outcomes. Chapter VI examines the costs of the PEA and ET/EM programs, and Chapter VII considers their cost effectiveness, draws conclusions, and suggests policy implications.

I. OVERVIEW OF THE EXPERIMENT

A. OBJECTIVES AND STRUCTURE OF THE PROJECT

Finding jobs for employable persons who receive public assistance has been an important goal of public assistance programs for years and is a central component of recent welfare reform proposals. Although a number of different policy initiatives have been undertaken at both the state and federal levels of government, the results have frequently been disappointing. Thus, there is a need to identify and evaluate new approaches to the development of private sector employment opportunities for employable recipients.

The Michigan Private Employment Agency Job Counselor Program was developed by the Michigan Department of Social Services (MDSS) in response to these needs. This project, which was supported on an experimental basis by the U.S. Department of Health, Education, and Welfare, used the services of private employment agencies (PEAs) to find suitable jobs in the regular labor market for clients receiving Aid for Dependent Children (ADC) benefits in Oakland County and Wayne County, Michigan.

The primary objective of the project was to assess the effectiveness of PEA services as compared to the employment services which would have been available to clients in the absence of the experimental program. A secondary objective was to develop information from operational experience that could be used to improve the implementation and operation of similar employment programs.

To accomplish these objectives, an experimental-control research design was developed by which ADC clients were randomly assigned to either the PEA program (experimental group) or to the Department's Employment

Training/Employment Marketing (ET/EM) program in Oakland County (control group) or to the PEA program or a control group receiving no WIN or ET/EM services in Wayne County. This experimental methodology made it possible, by observing the labor market behavior and welfare program experience of the experimental and control groups, to examine the effectiveness of the PEA program. This experimental design was also helpful in identifying what types of ADC clients were helped more effectively by either of the two types of employment services provided.

Participants in the project were drawn from ADC clients in Oakland and Wayne Counties who were WIN registrants but who were not being actively serviced by the WIN program. WIN registrants were eligible to participate if they were not currently assigned to a WIN component or had been placed in "Unassigned Active" status for more than 30 days. Case files consisting of the WIN registration document and an employment history form were made available by WIN staff to the PEA project monitors. Cases were then randomly assigned to either experimental or control status on the basis of a sequential assignment book developed by MPR using a random numbers table. Due to MDSS resource limitations, the random assignment process was adjusted so that 60 percent of the clients were assigned to experimental status and 40 percent to control status.

ADC clients assigned to experimental status were requested to attend group orientation sessions and were then referred to participating private employment agencies for assessment and potential job referrals. If a job was obtained for an experimental group participant by a PEA, the agency fee was paid from project funds.

Those clients in Oakland County who were assigned to the control group were made available to the ET/EM caseworkers for service plan development. If they were not screened out as inappropriate for services based on the ET/EM workers' caseload management decisions, they were eligible for the range of services typically provided by that program. The only way in which normal ET/EM operations differed with respect to these clients was in compiling and forwarding to the project monitor certain data needed for the research evaluation. In Wayne County the control group received no MDSS or WIN employment assistance services.

Demographic and employment history data were collected, and structured follow-up interviews were administered to both experimental and control groups. These interviews were used to obtain data on possible long-term program effects, jobs found on own, methods of job search, job retention, and impressions of program usefulness.

B. LIMITATIONS OF THE RESEARCH

A number of limitations should be kept in mind when assessing the results of the study. First, the experiment was not intended to be a direct comparison between the PEA program and the WIN program. Such a comparison would require an experimental design involving the random assignment of some ADC clients to the WIN program and some to the PEAs. From a program development standpoint, research of this type would clearly be of considerable interest for administrative reasons. It was not possible, however, to set up random assignment procedures at an early stage of the WIN process. In the absence of random assignment procedures for distributing clients between WIN and the PEAs, there was no way fully to control for the fact that client characteristics might differ across programs. Observable differences in characteristics such as age, sex, and education were partly controlled for by using multivariate techniques. However, such techniques could not be used to control for possible differences in unobservable characteristics such as motivation. The current research is thus based on the random assignment of individuals to either the PEA or ET/EM programs or, in Wayne County, to a control group receiving no WIN or MDSS employment services. The evaluation thus involves comparing clients in the PEA program to Oakland County ET/EM program clients and to a control group of clients in Wayne County who, as a practical matter, received no state provided employment services.

All persons drawn into the experiment were WIN registrants who had been pre-screened by Michigan Employment Security Commission (MESC) WIN staff and determined to be "unassigned recipients." This classification is usually assigned to registrants who are not considered immediately employable. Persons in this category often lack the recent work history, specific skills, or education which enhances employability. However, for purposes of ADC eligibility they are considered employable. Thus, the PEA experiment was providing employment assistance services to a group who had not exhibited sufficient employability to warrant WIN services. Typically, WIN works with approximately 15 percent of the total registrant population, and efforts such as the ET/EM program and the PEA experiment should be viewed as attempts to provide opportunities to an expanded target group. Direct cost per placement, starting wage, and time to placement comparisons with the WIN program cannot be made because different populations are involved.

Because the demonstration was conducted in only two of Michigan's 83 counties, the generalizability of findings and conclusions is dependent upon these specific locations, and these limits should be recognized when drawing overall inferences from the conclusions. However, the two demonstration counties comprise 37 percent of the state's total population and 47 percent of the ADC recipient population.

Still another reason to interpret the data with caution is that the information available about the ET/EM program is limited to the program experience in only one county. Current MDSS policy allows considerable flexibility at the local level in developing ET/EM procedures. Specific procedures and rigid guidelines were not established during the experiments and caseworkers were free to draw upon a wide mix of services to accomplish results in the form of job placements. Furthermore, because the ET/EM program was relatively small in Oakland County, it involved only two staff members on a full-time basis. Thus, the nature and outcomes of the program were quite dependent on the efforts of a small staff. In the strictest sense, then, the results of this evaluation apply to one specific county's version of the ET/EM program at a particular period of time.

At a more general level, it should be noted that the results of the experiment may be sensitive to the actual time and location of its operations. The compositions of Oakland and Wayne Counties with regard to labor market conditions, industrial base, availability of transportation, and characteristics of the ADC population may have been quite important in determining the outcomes of the experimental and control programs. Efforts were made during the analysis to identify the influence of key background variables where they appeared to be important. Nevertheless, attempts to generalize the results of the experiment to locations other than the counties in which it was conducted must be done with caution.

Finally, the possibility of "Hawthorne effects" should be noted. It is possible that because of the attention given to the experiment, those involved with it (e.g., clients, MDSS personnel, or the PEAs) may have acted differently than they would in a regular ongoing program.

In conclusion, it should be emphasized that none of the above limitations should be taken to mean that the experiment being evaluated has not yeilded important and useful results. We believe the study provides sufficient information to enable a careful policymaker to develop sound judgments about the likely value of a wider application of the PEAs as an experimental treatment mode or as an additional, alternative resource.

C. THE EXPERIMENTAL SETTING

State staff used three criteria to select the county where the project would be located:

1. The project county had to contain a substantial number of PEAs.
2. The caseload had to be of sufficient size to generate an adequate experimental sample.
3. The county had to be reasonably close to the MDSS central office to facilitate frequent contact between the project director and operations staff.

Oakland County met all three criteria. It is the second most populous of Michigan's 83 counties with an estimated population in 1977 of 984,000 persons, or 11 percent of the total population of the state. The county is located to the northwest of the City of Detroit (Wayne County). It is one of the most prosperous counties with a 1976 per capita income of $8,619, compared to the Michigan average of $6,754. Employment is derived from a variety of sources. The auto industry is a major factor, with five General Motors plants as well as representation by Ford and Chrysler. The City of Pontiac, which is the major population center, accounts for 11 percent of Michigan's auto production. Many "feeder" or sub-assembly suppliers to the auto industry have located in the county as well as media, marketing, and sales personnel. Other commercial enterprises result in a large number of both white collar and clerical jobs. The outmigration from Detroit has benefited the area. Extensive development in the southern sector of the county, which is contiguous to Detroit, has provided office buildings and employment opportunities closer to the burgeoning residential areas immediately to the north. Real estate values have escalated rapidly. Retail trade is an important factor, with the county ranking second in the state in sales per retail establishment.

While Oakland County enjoys relative affluence there is, nevertheless, persistent unemployment and a significant number of persons receiving ADC benefits. In June 1976, when the grant for this project was awarded, there were approximately 12,000 ADC cases in the county. When the experiment was begun in early 1977 the unemployment rate in the county was 8.6 percent. A general trend, verified by the Labor Market Analysis Section of the Michigan Employment Security Commission, is that unemployment in the City of Pontiac averages approximately nine percentage points higher than that of surrounding Oakland County. Table I.1 shows the unemployment rates for the state, the county, and the two major cities in the county. In terms of emphasizing the severity of unemployment as it affects recipients of assistance it should be noted that the recipient population, which is primarily female and unskilled, experiences even higher rates of unemployment.

TABLE I.1

UNEMPLOYMENT RATES

	2/77	2/78	2/79
State of Michigan	9.8	7.2	8.1
Oakland County	8.6	6.6	6.0
City of Pontiac	19.0	14.9	13.8
City of Royal Oak	5.8	4.4	4.0

An additional factor germane to the experimental setting which complicates the placement of ADC clients in jobs is the use of the private auto as the primary means of transportation in Oakland County. Mass or public transit alternatives are not highly developed and public transit is concentrated along north/south corridors, making dependence on buses an inefficient option. As reported in the 1978 Michigan Statistical Abstract[1/] 74 percent of Michigan workers living in urban areas used the automobile for transportation to work. Public transportation or buses accounted for 5.6 percent of the transportation, ranking third behind walking to work (6.1 percent). During the course of the experiment, the transportation issue came to be increasingly identified by both clients and participating private employment agencies as a barrier to employment.

The lack of public transportation in Oakland County and its dampening effect on the employment potential of recipients with no access to an automobile, together with the need to increase the sample size for

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[1/] Michigan Statistical Abstract 1978 - 18th edition, is published by Michigan State University and is the primary source for supporting information used in this section.

analysis purposes, led to the decision to expand the project to Wayne County. An additional consideration was the value of obtaining data on the potential impact of the project in a major urban center.

Wayne County is Michigan's most populous county, with an estimated 2,417,700 residents in 1977, or 26 percent of Michigan's population. It is heavily dependent upon the auto industry and is responsible for 55 percent of Michigan's auto production. However, between 1970 and 1978 when Detroit's population declined approximately 18 percent, the number of jobs in the city dropped more than 33 percent. Jobs in manufacturing, the heart of Detroit's economy, declined from 188,100 in 1970 to 158,500 in 1976, the last year for which data are available. The city has suffered a net loss of 183 manufacturing firms in the past two years according to a survey by the Directory of Michigan Manufacturers. Yet, in 1976, labor and proprietors' earnings from manufacturing establishments constituted 45.9 percent of total labor and proprietor earnings.2/

The financially troubled Chrysler Corporation has numerous stamping and assembly plants located in Detroit while GM and Ford production facilities are distributed throughout Wayne County. Chrysler remains the major manufacturing employer in the city with aging, technologically obsolete plants located in decaying areas. The effect on city residents dependent upon public transit has been to concentrate their job activities with Chrysler, as opposed to Ford and GM, which have increasingly located new plants in suburban Wayne County.

In recent years, Detroit has staged something of a comeback as the flow of federal funds supporting various urban improvement projects has

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2/ Ibid.

increased. Substantial investments have been made in either renovating existing buildings or in new construction, and the rate of outmigration has decreased. However, expected employment increases in the retail trade and service sectors have not materialized to the degree anticipated. The demand for city services continues to increase and the unemployment rate among persons likely to be ADC recipients is extremely high.

In a ranking of Michigan's 83 counties, Wayne County ranks first in percentage of the population receiving regular ADC benfits (10 percent). Oakland County is 69th, with 3 percent of the population receiving regular ADC benefits. Interestingly, Wayne is ranked 69th and Oakland 81st in the percentage of the population receiving ADC-U benefits. ADC-U may be considered a rural rather than urban phenomenon in Michigan. Taken together, Oakland and Wayne Counties contain almost 49 percent of Michigan's ADC population, but only 28 percent of the ADC-Unemployed Parent caseload (ADC-U).

Among those persons receiving ADC benefits, a significant number are employed and supplementing their grants with earned income. One objective of the MDSS is to increase the number of cases with earned income. As of June 1979, the employment rate among ADC recipients for the state was about 14 percent of the caseload. The rate of employment among ADC recipients in Oakland County was 19 percent and in Wayne County, 7 percent. For the past two years, the employment rate of ADC recipients in both counties has been very stable.

A possible explanation for the differential rate of client employment in Wayne County compared to Oakland County is the fact that the Wayne County ADC adult population is primarily Black females, a group that has experienced extremely high unemployment rates. In 1978, for example the average unemployment rate in Detroit for this subgroup was almost 13 percent (53 percent for Black females between 16 and 19 years of age).[1] Comparable rates of unemployment for white females are approximately 6 percent and 14 percent. These differentials should be kept in mind when assessing comparative labor force performance rates or when attempting to develop general statements about Michigan's ADC population and its employment rate.

To be eligible for ADC, children of grantees must be deprived of parental support. The definition of deprivation varies from unemployment of either parent, desertion, imprisonment or abandonment, to divorce, incapacity, or the presence of only one legal parent in the home. Single parent situations, desertion, or abandonment by a legal father account for 71 percent of the deprivation cases in Wayne County. The comparable figure in Oakland County is 45 percent. In Oakland, the single most identified deprivation factor is the divorce of two legal parents--37 percent of the population (compared with 10 percent in Wayne County).

In Oakland County, approximately one-third of the ADC cases have been active for less than one year, compared to one-fourth of the Wayne County cases. Conversely, 40 percent of the Wayne County cases have been receiving ADC for three years or more, compared to 29 percent in Oakland County. The data on client characteristics are summarized in Table I.2.

D. DESCRIPTION OF PRIVATE EMPLOYMENT AGENCIES

In Michigan, fee charging private employment agencies are divided into five general classes by the regulating agency. These include (statewide totals in parentheses):

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[1] Data obtained from Michigan Employment Security Commission, Labor Market Analysis Section, Detroit Unit.

TABLE I.2

CHARACTERISTICS OF TARGET POPULATION[a]

June, 1979

	Michigan	Oakland County	Wayne County
Total Cases	194,162	10,001	84,640
% of state total	--	5%	44%
Average monthly grant	$351	$356	$361
ADC-U cases	12,485	462	3,073
% of state ADC-U total	6%	4%	25%
% of county ADC-U total	--	5%	4%
ADC recipients employed	26,706	1,942	6,277
Employment rate	14%	19%	7%
Average monthly earned income	$346	$363	$365
Grant reduction from income	$126 (36%)	$137 (38%)	$137 (37%)
Ethnic composition			
ADC-white	50%	76%	22%
ADC-Black	47	22	76
ADC-other	3	2	2
ADC-U-white	73	83	42
ADC-U-Black	22	10	54
ADC-U-other	5	6	4
Reason for Deprivation			
Father deceased	8.9%	8.6%	8.7%
Father incapacitated	2.7	2.1	2.0
Father unemployed	6.3	4.4	3.0
Legal separation	1.1	0.5	1.0
Divorced from mother	21.3	37.3	10.4
Desertion, abandonment, or never married	32.0	27.9	35.4
No legal father	24.7	16.9	35.8
Imprisonment of parent	0.8	0.7	0.8
Parent institutionalized or in military	0.8	0.5	1.1
Other	1.5	1.1	0.9
	100.0	100.0	100.0
Time on assistance (%)			
Less than 1 year	20.5%	32.5%	23.7%
1 - 3 years	32.9	35.2	31.2
More than 3 years	32.7	28.8	39.3
Unknown	4.9	3.5	5.8
Total	100.0	100.0	100.0

[a] Source: Tabulations of Michigan ADC Master File, AA-036 and EY-044 Reports.

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Class I	Child care referral and domestic service agencies (13 agencies)
Class II	General service employment agencies (276 agencies)
Class III	Booking agents (110 agencies)
Class IV	Artists' managers or promoters (60 agencies)
Class V	Personnel placement consultants/Executive job search and counseling (100 agencies)

In this experiment, the focus was on the Class II general service agencies. All five classes operate under the jurisdiction of the Michigan Department of Licensing and Regulation. Each agency must employ a licensed agent who has passed a written test that covers the applicable laws and regulations, has posted a $5,000 surety bond, established financial standing, and been cleared by the police. The initial agency application fee costs $200.00 plus an additional $25.00 for the agent. Annual renewal costs $100.00 plus $15.00 for the agent.

An application for a license may be rejected if the Department of Licensing and Regulation determines that a person who has submitted an application lacks "business integrity or financial responsibility."
All job counselors working for an agency must be registered. Agencies are required to maintain extensive records concerning job orders, placements, and fees. Placement fees may be paid by the applicant or the employer, or shared between them. The fee charged for placing an individual with an employer is based on a sliding scale and is computed as a percentage of the annual gross wages of the job. While there are minor variations among agencies, a typical fee structure would range from 5 percent of the annual pay rate

for a job paying $5,000 or less annually, through 10 percent of a job paying between $9,000 and $10,000 annually, to 15 percent for jobs paying in excess of $20,000 annually. The fees are quoted for permanent placements--defined as jobs lasting more than 60 days. For jobs lasting less than 60 days, agencies can charge not more than 20 percent of the gross earnings for the period.

As of July 1, 1979 a total of 276 Class II agencies were operating in Michigan. Of these, 100 agencies (36 percent of the total) were located in Oakland County and 46 agencies (17 percent of the total) were located in Wayne County. The remaining 47 percent (130 agencies) were in 21 of Michigan's 83 counties, with the next greatest concentration being a county with 21 agencies. Even though geographic coverage is incomplete, it should be noted that the PEAs tend to be concentrated in the same manner as the rest of the population, thus providing services where most people reside.

II. OPERATIONS DESIGN AND PROCEDURES

A. PROJECT CHRONOLOGY

The key events in the project are shown in the table below. In this chapter we describe the steps that were required to establish a fully operational project under severe time constraints.

TABLE II.1

PROJECT CHRONOLOGY

Grant awarded	June 1976
Project staff hired, advisory committee formed, research proposals solicited, research contractor selected	September - December 1976
Contracts with PEAs signed	January 1977
Referral operations begun in Oakland County	January 1977
DHEW approved plan to expand project to Wayne County	May 1978
Wayne County staff hired	June 1978
Contracts with Wayne PEAs signed	July 1978
Wayne County referral operations begun	July 1978
Data collection cutoff date for final report	June 30, 1979
Final report	December 1979

Implementing this demonstration project involved establishing numerous links with existing units both within and outside the MDSS. The absence of precedent made the tasks both challenging and frustrating. The planning process included charting desired events, developing timetables, and identifying, modifying, and revising the service treatment plan.

It is important to keep in mind that this demonstration was an experiment, not an ongoing program. Project staff, recruited from existing MDSS staff, were primarily caseworkers. Their traditional role as service workers often conflicted with their project functions, where the emphasis was on facilitating referrals to the PEA and collecting accurate data, with little opportunity for direct intervention in a case. While such a posture was important so that the specific effects of the PEA treatment could be isolated and measured, it was necessary to provide continuing reinforcement to the staff concerning its importance.

The major set of institutional relationships, described below, involved the private employment agencies that participated in the experiment and the Michigan Department of Social Services. Attendant but subsidiary arrangements were developed with the Michigan Employment Security Commission WIN program. Publicity and public relations matters required interaction with the media and the Chamber of Commerce.

1. Private Employment Agencies

At the outset of the experiment a letter was sent to all general purpose private employment agencies in Oakland County. This mailing explained the project--why and by whom it was funded, who it would serve, and how fees for job placements would be paid. Inquiries were invited and followed up by personal visits or phone contacts. All requests for additional information were promptly filled. Subsequent to this introductory letter, personal phone calls were made to each of the agencies requesting participation in a group meeting intended to delineate the specifics of the project. Of the 98 agencies contacted, 17 expressed interest in a meeting. A second letter, confirming time and place was mailed to them. Ten agencies were represented at the meeting. Six subsequently signed contracts to participate. In other words, 94 percent of the eligible agencies opted out. The reasons given for non-participation included: heavy work loads; insufficient staff; a general impression that assistance recipients were neither employable nor motivated to work; and previous, unsuccessful attempts to place assistance clients.

During July 1979, the process of identification and contact was repeated in Wayne County. Forty-five agencies in Wayne County were contacted, twelve indicated interest in an organizational meeting, and seven attended the meeting and subsequently signed contracts to participate. The Wayne County PEA participation rate of 16 percent was reduced to 11 percent within two months when two agencies dropped out due to dissatisfaction with the marketability of the clients referred to them.

At both experimental sites meetings were held with participating agencies to apprise them of the basic characteristics of the assistance population, familiarize them with paper flow processes, and emphasize the experimental nature of the project. These sessions provided a forum for answering questions and for discussing common problems. During the first phase of the project, as a concession to accounting simplicity, fees for placements were not paid until the prescribed permanent period had elapsed due to MDSS concern about fee refunds if clients did not stay on the job. With the inception of the Wayne County project, fee payment was changed to the traditional payment-at-time-of-placement to make the project conform to standard industry practice.

The project monitors in both counties maintained weekly contacts with the participating PEAs. Of the six original Oakland County agencies, only one remained involved in the project for the duration. One agency was terminated by project staff for inactivity with referrals, one agency moved out of state, and the remaining three agencies (which were affiliated with a national agency) chose not to continue participation. The latter agencies dropped out because:

- The PEA-1115 project was a voluntary one for participating clients and these agencies felt that unless negative sanctions in the form of reduced or terminated ADC grants were imposed they would have no leverage to persuade clients to accept available employment.
- The education and skill level of the target population was such that only a small percentage could be referred to the jobs usually available from these agencies.

An interesting observation is that the PEAs typically felt that the ADC clients referred to them were somehow less employable than other individuals on assistance. Project staff were often accused of sending only non-marketable persons to the PEAs to protect the Department from competition. A uniform lament was that if "better" clients were available the PEAs could be much more successful.

2. Michigan Department of Social Services

Transforming the PEA concept into a functioning operation required negotiation and cooperation with many Department of Social Services units. As a primer or guide for future demonstrations it may be useful to highlight those units and briefly describe the interrelationships.

a. Bureau of Management Sciences-Department of Management and Budget: This unit provided assistance in the development of the request for proposal for the research contract. Bureau staff also helped develop a format to evaluate the proposals.

b. Advisory Committee: The committee included MDSS representatives from the Budget Office, the Evaluation Division, and the Employment Development Services Program Office. Also on the panel were two members of the Michigan Legislature, a Labor and Industrial Relations faculty member from Michigan State University, personnel from MESC and the Bureau of Employment and Training, a field staff representative, a private employment agency staff person, and a representative from the Michigan Chamber of Commerce.

The Advisory Committee was most useful during the development of the experiment and at the point where expansion to a second county was recommended. The variety of institutions represented allowed for a comprehensive analysis of pertinent questions and issues.

c. Accounting: To implement the project, a specific account had to be established to assure that grant funds were properly distributed and monitored. The Accounting Division established the requisite account, and provided financial reports and advice. The fiscal staff who prepared the quarterly fiscal reports for DHEW was an adjunct to the Accounting Division.

d. Budget Division: Distinct from Accounting, the Budget Division assisted in the development of the actual project budget by providing budget category fixed cost figures, salary and fringe amounts, rent and utility spread, transportation allowances, and approvals for expenditures and supplies.

e. Personnel Office: Approvals for staff, position description evaluations, provisions of personnel registers, establishment of separate timekeeping units, and notification of local offices were all supportive services provided by the Personnel Office. A major contribution was the assistance provided during the phasedown of project operations, when staff persons had to be assimilated back into local office units.

f. Contracts Management Section: Contracts with both the evaluation contractor and the participating private employment agencies had to be developed, drafted, and approved for content and appropriateness by both the Michigan Attorney General and the Department of Civil Service. This section assisted by drafting contracts, providing liaison when the contracts were amended or extended, and preparing the requisite Civil Service forms.

g. Facilities Management Section: This unit assisted with office space reservations and assignment, furniture purchase and transfer, and telecommunications hook-ups and changes. The Motor Transport section was used to obtain transportation for staff for distribution of forms and for final project data collection.

h. Social Services Evaluation and Analysis Division: With the exception of the Executive Office, this section provided the most critical assistance in the development of the project, especially its evaluation component. Division staff were available to discuss problem areas, offer constructive advice and alternatives to identified difficulties, review draft reports, and offer recommendations that enhanced the quality of the evaluation reports and the project.

i. Local Offices: The administrators and workers in the affected local offices took on revised roles and provided reports and data as requested. Periodic briefings by project staff kept all personnel aware of project progress and provided a format for questions.

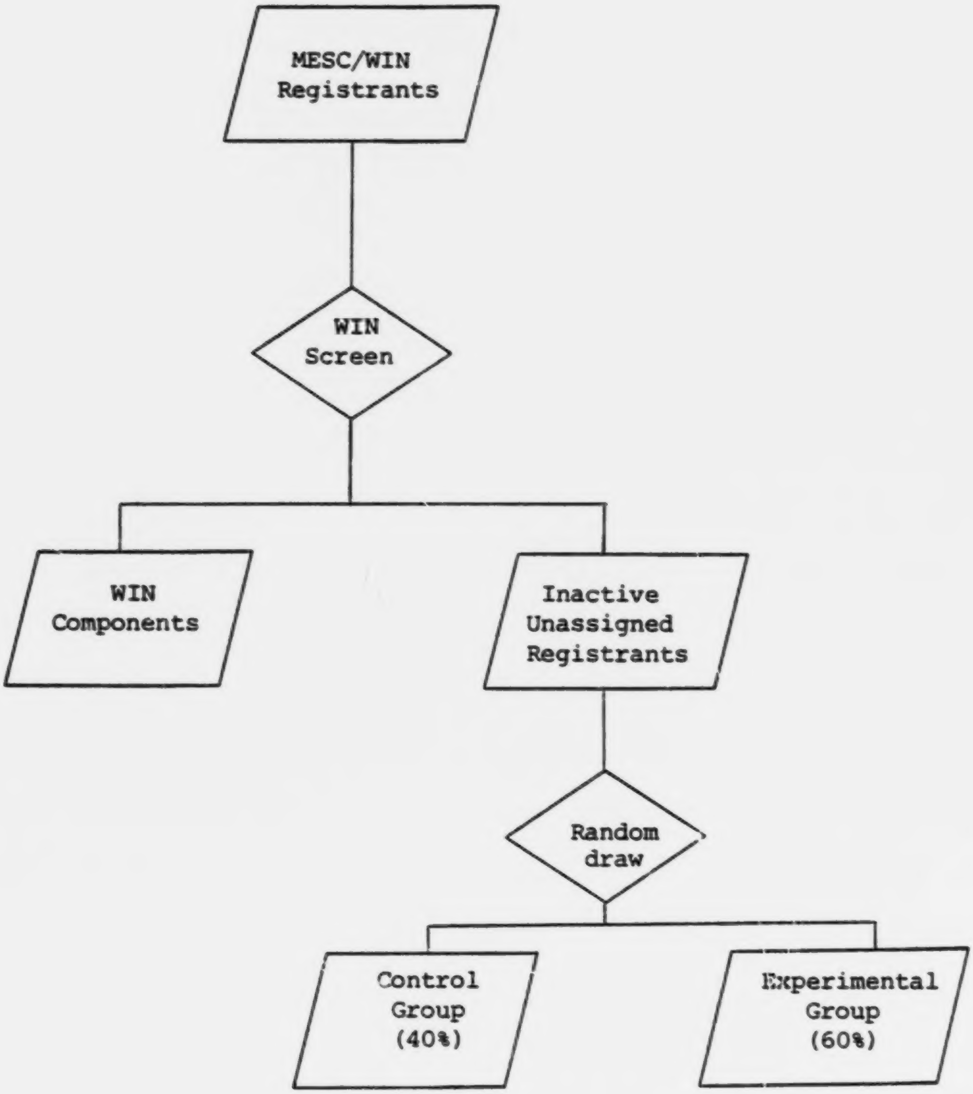
j. Executive Office: The Office of the Director was instrumental in obtaining the original grant and in overcoming institutional barriers that could have terminated the project. The Director was available for consultation and advice throughout the project, was interested in interim outcomes, and demonstrated his ongoing awareness of the project in briefings and conferences.

B. THE CLIENT REFERRAL PROCESS

As the flow chart on the next page illustrates, the sample was derived from inactive, unassigned WIN registrants. In Oakland County, clients were drawn from this group without screening. In Wayne County, where the available client pool was larger, attempts were made during this initial sample draw (but before random assignment to experimental or control status) to screen the files of potential participants and to select into the experiment those clients who, on the basis of their education and employment histories, seemed to have relatively high employment potential. Both

FIGURE II.1

PRIVATE EMPLOYMENT AGENCIES PROJECT
SAMPLE DERIVATION


MESC/WIN Registrants
WIN Screen
WIN Components
Inactive Unassigned Registrants
Random draw
Control Group (40%)
Experimental Group (60%)

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mandatory and voluntary registrants were included. Assignment to either the experimental or control group was made through a random assignment process developed by the research contractor. In Oakland County, experimental control group subjects were drawn primarily from the pool of new WIN registrants who had been identified as "unassigned recipients." The persons assigned to the control group in Oakland County were (depending upon resource availability) provided employment services by ET/EM caseworkers. Most control subjects were assessed by the workers, and active cases were opened.

In Wayne County, both control and experimental segments were drawn from existing WIN files. Thus, the population tended to have been receiving assistance for a somewhat longer period than the average Wayne County recipient and for much longer than Oakland County recipients. In Wayne County the control group did not receive MDSS employment services. Members of this group had no direct contact with the project until the periodic follow-up interviews were conducted. Thus, the labor market activities of this group resulted from self-initiated efforts undirected by the efforts of MDSS or WIN staff.

Flow charts showing the respective service paths of experimental and control group participants are presented on the following pages. The experimental treatment included an orientation session to explain the purpose of the program, the role of the private employment agencies, and the participants' responsibilities. The voluntary nature of the experiment was also explained. Participants who desired to remain in the program were referred by the project monitors to a PEA. The agency contacted the client and set up an appointment for assessment and screening. If the agency had any appropriate job listings, the individual was referred to one (or more) employers. Some participants were sent to more than one agency.

FIGURE II.2

PRIVATE EMPLOYMENT AGENCIES PROJECT
EXPERIMENTAL PARTICIPANT FLOW

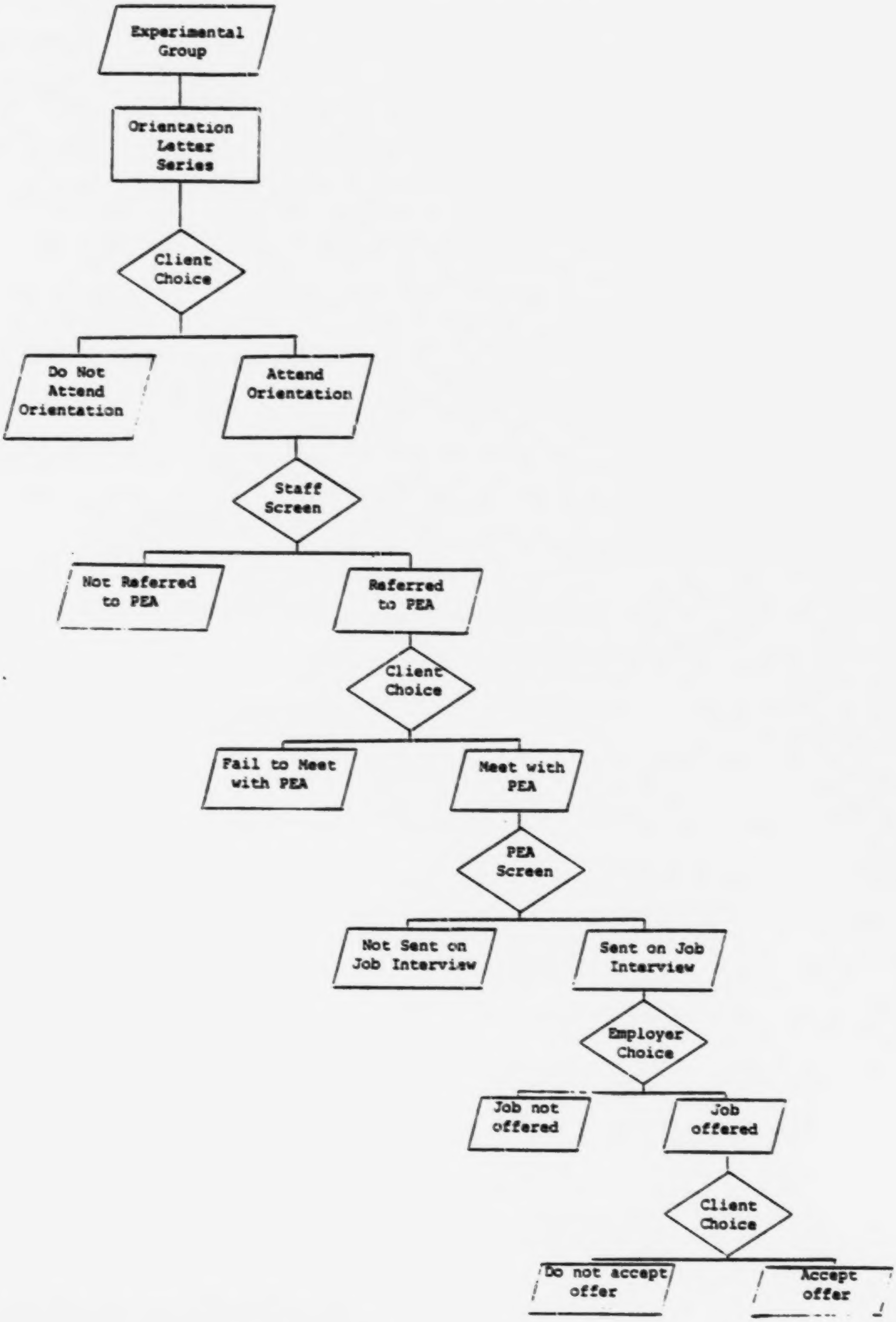
Experimental Group
Orientation Letter Series
Client Choice
Do Not Attend Orientation
Attend Orientation
Staff Screen
Not Referred to PEA
Referred to PEA
Client Choice
Fail to Meet with PEA
Meet with PEA
PEA Screen
Not Sent on Job Interview
Sent on Job Interview
Employer Choice
Job not offered
Job offered
Client Choice
Do not accept offer
Accept offer

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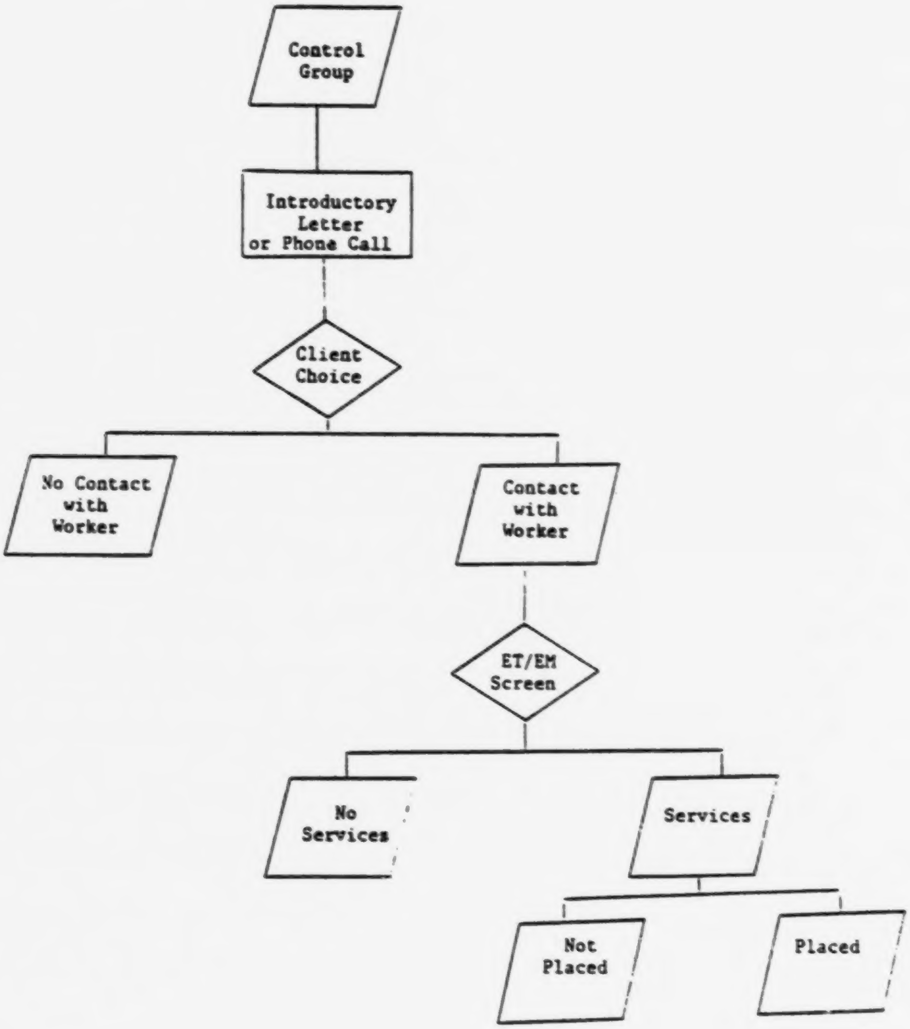
FIGURE II.3

PRIVATE EMPLOYMENT AGENCIES PROJECT OAKLAND COUNTY
CONTROL PARTICIPANT FLOW


Control Group
Introductory Letter or Phone Call
Client Choice
No Contact with Worker
Contact with Worker
ET/EM Screen
No Services
Services
Not Placed
Placed

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Data on client participation and outcomes were collected at several points in the project. The data for the Client Work History and Personal Characteristics Form were transcribed by the project monitors from existing WIN and ADC program records. This form was completed for all recipients involved in the project. The Supplemental Client History Form was completed by all clients in the experimental group who attended orientation. The data on this form provided additional client characteristics information. These two forms were sent to the PEAs, enabling them to review a client's work history, education, skills, and access to transportation before requesting an interview. An Employment Agency Referral Form for each client was initiated by the project monitors when a client was referred to a PEA. The PEAs completed Referral Disposition Forms which recorded the final outcomes for all referred clients. Program Participation and Job Placement Forms were completed by the project monitors. These forms provided data on client program experiences. A Follow-up Telephone Interview was administered to clients approximately once a year. This interview provided information about program experiences from the client's perspective, client attitudes, and suggestions for project improvement. Finally, a form containing data on PEA characteristics was completed for all participating PEAs. See Appendix A for copies of all data collection forms.

Referral procedures focused on facilitating client flow and reducing or preventing extra work for the agencies, while obtaining sufficient information for meaningful analysis. Internal monitoring processes were developed to assist in tracking clients through the system.

The experiment has demonstrated that a set of working procedures for a PEA program can be smoothly implemented within an existing public social service environment without being unduly disruptive or counterproductive.

C. DESCRIPTION OF THE EMPLOYMENT TRAINING/EMPLOYMENT MARKETING PROGRAM CONTROL GROUP TREATMENT IN OAKLAND COUNTY

As outlined in the MDSS manual, the purpose of the ET/EM program is to provide welfare applicants and recipients with direct access to employment, education, or training opportunities. Caseworkers in the ET/EM unit are to use all available resources for developing and implementing an employment plan with individual participants. The manual states that "The employment plan must be designed to help a participant achieve his maximum potential for self-support."

For purposes of this experiment, those clients in Oakland County who were randomly assigned as control group participants were eligible to receive ET/EM services (the control group in Wayne County received no ET/EM services). Upon receiving a case file from the PEA project monitor, the caseworker made an assessment based on available documentation to evaluate a client's employment potential. During the experiment, over 90 percent of the cases referred to the ET/EM workers were activated, that is, a case was opened for the client who was contacted by letter or phone to be interviewed. Caseload size per worker during the experiment ranged from 40 to 85. Workers had been instructed to maintain their usual services profile, and there is no evidence to indicate that any service revisions were instituted as a result of the project.

After interviewing a client, either in the office or in the client's home, the worker developed an individual service plan. Monitoring of the case narratives by experimental project administrative staff determined that the quality and content of the narratives ranged from extensive descriptions of the clients' socioeconomic backgrounds to brief outlines of project events.

As previously mentioned, the primary objective of the ET/EM worker is to place clients in jobs. Supplemental objectives include obtaining grant reductions and supporting employed clients to enhance job retention. Occasionally the worker refers a client to a specific job, but the more typical case would involve a client looking for a job on his or her own. Some of the supportive tools available to the ET/EM caseworkers included the Comprehensive Employment and Training Act (CETA), the Adult Basic Education Program, Vocational Education, the Bureau of Rehabilitation, high school completion programs, and WIN and Welfare Tax Credits.[1/] Clients could also be referred to locally sponsored training programs, or arrangements could be made with MESC for on-the-job training.

It is important to note that the experimental treatment mode involved only direct job referrals, whereas the available control treatments could range from direct job referrals to self job search to training and education.

[1/] Employers hiring ADC clients referred by PEAs were also eligible for these tax credits. The PEAs were aware of this incentive and explained it to potential employers.

III. CHARACTERISTICS OF THE SAMPLE

In this chapter we present statistics that describe the characteristics of the samples of ADC recipients in Oakland and Wayne Counties. The project began operations in Oakland County in January, 1977. In July, 1978 it was expanded to Wayne County. As of June 30, 1979, a total of 4,284 clients had participated as either experimental or control subjects in both counties. The research design specified a project sample with 60 percent of the participants in the experimental group and 40 percent in the control group. Table III.1 provides a breakdown of the participants by experimental status by county.

In assessing the results of the experiment it is important to keep in mind that all the participating ADC clients had been registered by the WIN program (and some even certified), but the WIN program had specifically chosen not to work actively with these individuals. In general, therefore, they could be expected to be less employable than the average WIN registrant who actually received WIN services. In part, this is reflected in the client characteristics data in Tables III.2 through III.6, which present the demographic and economic characteristics of the sample.[1/]

[1/] Because assignment to experimental or control status was random, the characteristics of the two samples are similar except for sampling variation. It should be noted that in many cases, data were missing from the WIN records from which the demographic and economic information was obtained. Percentages shown in the tables use as their base the number of cases for which relevant information was available. Tabulations were done individually for the experimental and control samples in each county. The "Total" column for each county is computed as the weighted sum of the individual PEA and control data, with the weights based on the relative sizes of the two individual samples.

TABLE III.1

CLIENTS INCLUDED IN THE EXPERIMENT

AS OF JUNE 30, 1979

	Number		Percentage	
	Oakland	Wayne	Oakland	Wayne
Experimental	1,405	1,188	61	60
Control	906	785	39	40
Total	2,311	1,973	100.0	100.0

Reflecting at least in part the different ways the samples were selected in Oakland and Wayne Counties, the average level of education differs markedly for the two samples (see Table III.2).[1/] In Oakland County 5 percent of the sample did not complete eighth grade, and only 38 percent completed 12 or more years of school, whereas the comparable figures in Wayne County were 2 percent and 60 percent, respectively. With regard to post-high-school education, only 1 percent in Oakland and less than 1 percent in Wayne reported receiving either an associates's or bachelor's degree, and only 2 percent in Oakland and 6 percent in Wayne reported receiving a certificate from a vocational training program (such as nurses' aide or one of the trades).

Surprisingly, a substantial proportion of the sample in both counties--about 70 percent--had some work experience before the start of the project (see Table III.3). At the time of program entry, 13 percent of the Oakland County clients and 4 percent of those in Wayne County were employed. These figures correspond approximately to the overall levels of employment of ADC recipients in the two counties.[2/] Among those who were previously employed (58 percent of the Oakland sample and 66 percent of the Wayne County sample), a majority in both counties (68 percent in Oakland and 57 percent in Wayne) reported that their prior job lasted less than twelve months. Twelve percent of the Oakland sample and 17 percent of the Wayne sample who were previously employed reported a prior job that had lasted more than three years. In Oakland County, 41 percent of the prior jobs ended more than three years before program entry,

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[1/] It will be recalled that in Wayne County potential project participants were screened before random assignment, whereas in Oakland all persons referred from WIN were randomly assigned to either the experimental or control group without prescreening.

[2/] Even though a person was employed (s)he could still be an active WIN enrollee if employed part-time or if (s)he earned a very low wage.

TABLE III.2

EDUCATION OF PROGRAM PARTICIPANTS

	Oakland		Wayne		Total	
	PEA	Control	PEA	Control	Oakland	Wayne
Highest grade completed						
Less than 8	5%	5%	2%	2%	5%	2%
8	7	7	2	4	7	3
9	15	14	7	9	14	8
10	20	22	12	13	21	12
11	16	15	14	16	15	15
12	31	31	57	53	31	55
More than 12	7	7	7	3	7	5
Received associate's or bachelor's degree	1	0.9	0.1	0.4	1	0.2
Received vocational training certificate	2	2	6	7	2	6

NOTE: Percentages may not add to 100 due to rounding.

TABLE III.3

PRIOR WORK EXPERIENCE OF PROGRAM PARTICIPANTS

	Oakland		Wayne		Total	
	PEA	Control	PEA	Control	Oakland	Wayne
eported any work experience	73%	68%	75%	63%	71%	70%
mployed at time of program entry (% of all clients)	14	13	5	2	13	4
reviously employed (% of all clients)	59	55	70	61	58	66
uration of most recent previous job:						
1 - 3 months	28	29	20	21	28	20
4 - 12 months	44	33	37	36	40	37
13 - 36 months	17	26	25	27	20	26
more than 36 months	12	12	18	16	12	17
Most recent job ended:						
1 - 12 months	35	32	8	7	34	8
13 - 24 months	15	14	6	12	15	8
25 - 36 months	10	11	10	9	10	9
More than 36 months before program entry	41	42	76	72	41	75
Average hourly wage of most recent prior job	$2.97	$2.94	$2.59	$2.63	$2.96	$2.60

NOTE: Percentages may not add to 100 due to rounding.

while in Wayne County the comparable figure is 75 percent.[1/] In Oakland County 34 percent of those who had a previous job reported some work experience in the 12 months before program entry, compared to only 8 percent in Wayne. Thus, even though many of the participants had some previous work experience, a considerable portion of it was not current.

Sixty-five percent of the participants in the Oakland experimental group and 40 percent of those in Wayne County reported having a driver's license (see Table III.4). However, only 53 percent in Oakland and 35 percent in Wayne reported having access to a car that could be used in going to and from work.[2/]

These figures are particularly significant in view of the fact that Oakland County residents rely heavily upon the automobile because public transportation facilities are extremely limited. Access to transportation may be an important obstacle to placing ADC clients in jobs. Public transportation facilities in Wayne County are much better developed.

In terms of personal characteristics, most of the sample was female (80 percent in Oakland, 91 percent in Wayne) and clients in the sample had a mean age in the early thirties (see Table III.5). The distribution across age groups was quite broad in both counties, although substantially more youth and younger recipients participated in the project in Oakland County compared to Wayne.

[1/] This difference is probably the result of the different sampling schemes in the two counties. In Oakland, project participants were selected primarily from new cases, while the Wayne County sample was drawn largely from the backlog of cases existing when the project began operations there.

[2/] Unlike the other tabulations reported in this chapter, the tabulations regarding a driver's license and access to a car are based only on clients in the PEA track of the program who attended orientation. These data were obtained from the Supplemental Client History Form, which was only available for these individuals. It should be noted that the numbers in the text may overstate the availability of auto transportation in that clients who attended orientation may have had greater access to automobiles than those who did not attend.

'ABLE III.4

AVAILABILITY OF AUTOMOBILE TRANSPORTATION FOR PROGRAM PARTICIPANTS WHO ATTENDED ORIENTATION[a]

	Oakland		Wayne	
	PEA	Control	PEA	Control
Had driver's license	65%	N.A.	49%	N.A.
Had access to car	53%	N.A.	35%	N.A.

NOTE: N.A. = Not available.

[a] In Oakland County 46 percent of the clients in the PEA sample attended orientation; the comparable figure for Wayne County is 43 percent.

TABLE III.5

PERSONAL CHARACTERISTICS OF PROGRAM PARTICIPANTS

	Oakland		Wayne		Total	
	PEA	Control	PEA	Control	Oakland	Wayne
Female	80%	80%	91%	91%	80%	91%
Handicapped	12	12	9	9	12	9
Age						
Under 18	9	10	3	4	9	3
18 - 21	11	12	3	4	12	3
22 - 25	7	7	7	8	7	8
26 - 30	17	18	23	21	17	22
31 - 40	34	33	44	40	34	43
41 - 50	15	15	17	17	15	17
Over 50	6	6	3	4	6	3
Mean Age	32	32	34	34	32	34
Ethnicity						
White	77	79	20	19	78	20
Black	20	18	79	80	19	80
Other	3	3	1	1	3	1

NOTE: Percentages may not add to 100 due to rounding.

In Oakland 12 percent of the sample had a physical or mental handicap, compared to 9 percent of the Wayne sample. The ethnic distribution of clients reflects the composition of the ADC population in the two counties, 78 percent of the Oakland sample was white and 19 percent Black, whereas in Wayne 20 percent was white and 80 percent Black.

Many of the participants in the experiment had been receiving public assistance for considerable lengths of time (see Table III.6). In Wayne County 60 percent of the participants had been on assistance since before 1975, compared to 37 percent in Oakland County. The size of this difference is explained by the fact that the Wayne County sample was drawn from the backlog of WIN registrants.

Most program participants were regular ADC cases (76 percent in Oakland, 96 percent in Wayne). The Oakland sample included a substantial number of youth (19 percent), whereas there were very few in the Wayne County project. The procedure for drawing the sample guaranteed that all clients in the sample were WIN program registrants, but only about 14 percent in both counties had actually been WIN certified. In Oakland, 7 percent of the WIN clients were volunteers, compared to 21 percent in Wayne County.

In summary, the statistics reported above show that the typical client who participated in the project was a female in her early thirties, relatively poorly educated, with limited previous work experience. Consequently, project participants were not viewed by the WIN program as having attractive employment prospects. This sample provided a rather stringent test of the PEA approach to finding jobs for public assistance recipients.

TABLE III.6

PUBLIC ASSISTANCE BACKGROUND OF PROGRAM PARTICIPANTS

	Oakland		Wayne		Total	
	PEA	Control	PEA	Control	Oakland	Wayne
Year of most recent case opening:						
prior to 1970	4%	4%	0.5%	0.3%	4%	0.4%
1970 to 1974	34	33	59	63	33	60
1975	8	9	9	9	9	9
1976	13	12	8	7	13	7
1977	26	28	9	9	27	9
1978	15	14	13	12	15	12
1979	-	-	2	0.7	-	2
ADC category						
Regular ADC	75	77	96	95	76	96
ADC-U	6	4	3	3	5	3
Youth	19	19	1	2	19	2
WIN Status						
Registrant only	85	89	88	84	87	86
Certified	15	11	12	16	13	14
Mandatory	92	94	79	81	93	79
Voluntary	8	6	21	19	7	21

NOTE: Percentages may not add to 100 due to rounding.

IV. PROGRAM OUTCOMES

The PEA program was developed to help ADC clients find jobs, thereby reducing the cost of public welfare payments. In this chapter we analyze the degree to which those goals were achieved. The chapter begins with a discussion of placement rates for the PEA and ET/EM programs. Next, the jobs (other than recorded placements) found by clients in the two programs are considered. The characteristics and durations of the placement jobs and estimated MDSS grant reductions that have been achieved as a result of these placements are then described. The chapter concludes with a multivariate analysis of program effects, in which the probability of finding a job and job earnings is analyzed using probit and least squares regression analysis to control for other factors that may affect clients' employability.

A. PLACEMENT STATISTICS

In Oakland County the PEAs made 55 placements, 52 of which were full-time. Three clients were placed twice (Table IV.1). In Wayne County 24 clients were placed in jobs.[1/] In terms of gross placement rates, approximately 3.7 percent of all clients originally drawn into the PEA program were placed in jobs in Oakland County and 2.0 percent were placed in Wayne County (Table IV.2). It should be noted, however, that many clients in the program never had direct contact with a PEA, either

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[1/] For the most part, this report is based on data through June 30, 1979. However, the Wayne County PEA placement figure includes one placement made in early July as a result of PEA program activities conducted before June 30. It should be noted that a number of PEA placements terminated so quickly that no PEA fee was paid. Fees were paid on 48 Oakland County PEA placements and 21 Wayne County PEA placements.

TABLE IV.1

PLACEMENTS

	Oakland County				Wayne County	
	PEA		ET/EM		PEA	
	Clients	Jobs	Clients	Jobs	Clients	Jobs
Full-time	49	52	76	77	24	24
Part-time	3	3	24	27	0	0
Total[a]	52	55	94	104	24	24

[a] Clients in full-time and part-time jobs may not add to total because some clients had both.

TABLE IV.2

PLACEMENT RATES

	Oakland County		Wayne County
	PEA	ET/EM	PEA
All clients entering program			
Full-time jobs	3.5%	8.4%	2.0%
Part-time jobs	0.2	2.6	0.0
Total[a]	3.7	10.4	2.0
Clients referred to PEA or ET/EM worker			
Full-time jobs	9.1	9.8	6.2
Part-time jobs	0.6	3.1	0.0
Total[a]	9.7	12.2	6.2

[a] Full-time and part-time jobs may not add to the total because some clients had both.

because they failed to attend orientation and/or because they had a medical problem or some other reason for not seeking work. Thus, the PEAs did not have an opportunity to work with these clients. Of the experimental clients who actually had some contact with the program through an orientation session and who were referred to PEAs, the placement rate was approximately 9.7 percent in Oakland County and 6.2 percent in Wayne County.

For the ET/EM program in Oakland County, 104 placements were recorded, of which 77 were full-time, and the ET/EM placement rate was 10.4 percent, substantially higher than that for the PEA program. However, a number of the ET/EM placements involved publicly-subsidized jobs developed either as part of the State Department of Transportation's Summer Jobs for Youth program, by CETA, or by other public agencies. Because all of the available positions in these subsidized programs would almost certainly have been filled without ET/EM referral, and because such referrals were not available to the PEAs involved in the project, it is of interest for comparison purposes to also consider ET/EM placement statistics excluding such jobs. Without publicly-subsidized jobs included, the total number of ET/EM placements was 83 and the placement rate was 8.5 percent (see Table IV.3).[1/]

B. OTHER JOBS FOUND BY CLIENTS

In order to provide an additional perspective with which to interpret the above data, it is also useful to consider jobs that clients in the

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[1/] Five additional ET/EM placements were also recorded for clients involved with the experiment. However, the clients involved in these placements were accidentally drawn into both the PEA and the ET/EM portions of the experiment, and they have therefore been excluded from the analysis sample because it is impossible to separate the influences of the different program treatments.

TABLE IV.3

OAKLAND COUNTY ET/EM PLACEMENT STATISTICS EXCLUDING PUBLICLY-SUBSIDIZED JOBS

	Clients	Jobs	Placement Rates
Full-time	62	63	6.8%
Part-time	19	20	2.1%
All jobs	77	83	8.5%

NOTE: Clients in full-time and part-time jobs may not add to total because some clients had both.

two programs found on their own. Table IV.4 shows the rate at which clients in the two programs found jobs other than those recorded as placements in the program statistics discussed in Section A above.[1] The data presented in the table indicate that the majority of the jobs found by clients in the two programs were found on their own.

It is also interesting that the rate at which these jobs were found is higher for the PEA group than for the ET/EM clients. Indeed, if the data from Tables IV.2 and IV.4 are combined to compute overall rates of finding jobs, whether as direct placements or as jobs found by the clients on their own, the rates of finding jobs for the two programs in Oakland County are quite similar. This information is presented in Table IV.5, which summarizes estimated overall rates of finding full- and part-time jobs both through the program and through the clients' own efforts. The overall rate of finding jobs after program entry in Oakland County was 27.4 percent for both programs. The overall rate of finding jobs for experimentals in Wayne County was 8.6 percent compared to a rate for controls of 5.5 percent. This difference is statistically significant.[2]

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[1] Because the principal available source of information about jobs found by clients on their own is the periodic follow-up interview, the estimates shown in Table IV.4 are based on tabulations of data only for clients with completed follow-up interviews. This sample includes 1,002 PEA program participants and 637 ET/EM program clients in Oakland County. For Wayne County, 576 PEA clients and 470 control clients had interviews. In a number of cases, particularly in Oakland County, more than one interview was conducted. The total number of interviews conducted was 2,241 in Oakland County and 1,180 in Wayne County.

[2] The discussion of the probit analysis results examines the statistical significance of job finding rate differences. It is more efficient to examine issues of statistical significance in the probit context because this technique makes it possible to control for the impact of other factors in addition to program status in analyzing rates of finding jobs.

TABLE IV.4

RATES OF CLIENTS FINDING JOBS ON THEIR OWN

	Oakland County		Wayne County	
	PEA	ET/EM	PEA	Control
Full-time jobs	16.9%	12.9%	3.8%	3.2%
Part-time jobs	9.2	8.0	3.5	2.3
All jobs	25.0	20.3	7.3	5.5

NOTE: First two rows may not add to third row because some clients found both full-time and part-time jobs. Estimated rates of finding jobs on own during the program are, of course, dependent on the time since program entry for which interview data are available. In Oakland County the average time between program entry and the latest interview was approximately 49 weeks. The comparable number for Wayne County is 29 weeks.

TABLE IV.5

OVERALL RATES OF FINDING JOBS, INCLUDING JOBS FOUND THROUGH PLACEMENTS AND JOBS FOUND ON OWN

	Oakland County		Wayne County	
	PEA	ET/EM	PEA	Control
Full-time jobs	19.4%	19.0%	5.3%	3.2%
Part-time jobs	8.9	9.5	3.5	2.3
All jobs	27.4	27.4	8.6	5.5

NOTE: Entries in the table are based on placement rates from Table IV.2 and on tabulations of interview data on rates at which clients who were not placed found jobs on their own. Estimated overall rates of finding jobs are slightly lower than the sums of comparable entries on Tables IV.2 and IV.4 because some clients who were placed also found jobs on their own. First two rows may not add to third row because some clients found both full-time and part-time jobs. Percentages include subsidized Oakland County ET/EM placements.

It is of some importance to consider possible reasons why the rate at which clients found jobs on their own was higher in the PEA program than it was for the ET/EM sample in Oakland County. These results are somewhat puzzling in that is not immediately clear why PEA clients should be more likely than the ET/EM clients to find jobs on their own. If anything, one might expect the opposite, because the ET/EM program is oriented toward providing general counseling for clients about how to find a job rather than providing direct job referrals, while the services of the PEAs are focused almost entirely on immediate referrals and placements. Because standard operating procedures for the ET/EM program involve the ET/EM workers helping clients find jobs on their own, and because such jobs may be recorded in the program records as ET/EM placements, one possible explanation for the observed pattern in the data is that the program statistics may include jobs that would have been found even if the clients had not been in the ET/EM program. To whatever extent this may be the case, the higher program placement rates for the ET/EM program shown in Table IV.2 may be somewhat misleading. While there is no way from the available information to determine the degree to which this explanation is correct, it should be kept in mind as a potential qualification in assessing the ET/EM program placement statistics.

A second possible explanation for the low rates at which ET/EM clients have found jobs on their own is that some employable ET/EM clients may have been encouraged by the ET/EM workers to enter education or training programs, thus deferring job search activities. To the extent that this explanation is a factor, it would suggest that both the rates of finding jobs on their own and the placement rates for ET/EM clients may be somewhat lower than their true, long-run values. Eighty-two training placements for clients in the sample were reported by ET/EM workers during the experiment. A case record search done for these clients and for a sample of ET/EM clients without training placements suggests that the rate of ADC case closings during the analysis period was lower for training placements than for the sample as a whole. Thus, at least some of these clients may still be in their training programs.

Finally, a third possible reason for higher rates of self placement among PEA clients in Oakland County as compared to ET/EM clients is that exposure to the program may have caused clients to increase or improve their job search activities. This could have occurred, for instance, if the orientation sessions or other experimental program activities motivated the clients and/or helped provide them with job search skills. Alternatively, it is possible that clients perceived the program as increasing MDSS pressure on them to find employment. This third explanation is consistent with the fact that rates of finding jobs on their own were higher for PEA clients than for control clients in Wayne County as well as in Oakland County, although the differences in Wayne County were not as great. It should also be noted that in both counties, clients who attended PEA program orientation sessions had somewhat higher rates of finding jobs on their own than did nonattendees. In Oakland County, 28 percent of those attending an orientation session found a job on their own, while the rate for nonattendees was 22 percent. The comparable numbers for Wayne County are 9 percent and 5 percent. It cannot be determined, however, whether these numbers reflect effects of the orientation sessions themselves or whether they reflect differences in motivation and skills between those who did and those who did not attend orientation.

Another interesting aspect of the data with regard to jobs found on own is the relatively high number of people who had more than one job during the sample period. In Oakland County, among people who found at least one job but whose first job terminated, 32 percent of the PEA clients and 28 percent of the ET/EM clients obtained at least one additional job on their own.[1/] These rates are, of course, substantially higher than overall rates of finding jobs on own in the sample. In part, this may simply reflect the fact that some people are more actively involved in the job market than others. Another possible explanation, however, is that obtaining one job, even if it is terminated, may help give clients the motivation and/or skills to find a second job. To the extent that this latter explanation is correct, the benefits of the PEA and ET/EM program may have been greater than the statistics on job duration would imply, because even jobs that were terminated relatively quickly may have been useful in helping clients remain active in the labor market.

C. DURATION OF JOB PLACEMENTS

A critical factor to consider in assessing the PEA and ET/EM programs is the duration of the job placements achieved by the programs. Table IV.6 presents data on the extent to which jobs found through program placements were known to have terminated as of June 30, 1979. As shown in the table, more than 60 percent of the jobs recorded as PEA program placements in Oakland County had been terminated by that time. The comparable figure for ET/EM placements is 46 percent. In Wayne County, 33 percent of PEA job

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[1/] The comparable percentages for Wayne County are 11 percent and 20 percent. However, these percentages are based on very small sample sizes, because the experiment was in operation for less time in Wayne County and overall rates of finding jobs either through placement or on own were lower there.

TABLE IV.6

STATUS OF PLACEMENTS AS OF JUNE 30, 1979

	Oakland County (Based on 29 months of data)		Wayne County (Based on 12 months of data)	
	PEA	ET/EM	PEA	Control
Job terminated	60.4%	46.0%	33.3%	N.A.
Client still working	39.6	54.0	66.7	N.A.

NOTE: N.A. = Not applicable.

TABLE IV.7

STATUS OF JOBS FOUND ON OWN AS OF JUNE 30, 1979

	Oakland County (Based on 29 months of data)		Wayne County (Based on 12 months of data)	
	PEA	ET/EM	PEA	Control
Job terminated	37.4%	37.0%	26.7%	34.4%
Client still working	62.6	63.0	73.3	65.6

placements were known to have terminated. The lower reported termination rate for Wayne County reflects at least in part the fact that the Wayne County placements were, on average, made much more recently than those for Oakland County and thus have not been observed for as long a period. It should be noted that these figures may somewhat understate the number of jobs that have terminated, because periodic follow-up interviews are an important source of this information and not all clients could be interviewed.[1]

Data limitations may also partly account for the fact that in Oakland County the PEA termination rate is higher than that for ET/EM placements. In particular, the PEA billing process guaranteed that program officials would be informed of PEA job placement terminations occuring within the first 90 days of placement. No such administrative mechanism existed for the ET/EM placements, however, and thus all job termination data for ET/EM placements were taken from the periodic interviews. Also, on average, the PEA placements occurred earlier than the ET/EM placements. Thus, there was more time for PEA jobs to terminate before the analysis cutoff date.

Table IV.7 (pg. 50) shows statistics on the status of jobs found by clients on their own. As shown in the table, 27 to 37 percent of the jobs found by clients on their own were known to have terminated by June 30, 1979. The percentages terminated are somewhat higher in Oakland than in Wayne County, reflecting the longer program experience in Oakland County.

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[1] Interview data were available for 85 percent of the Oakland County PEA placements who were believed still to be working and for 72 percent of the comparable ET/EM clients. Sixty-nine percent of the Wayne County clients in the "still working" category were interviewed.

Table IV.8 presents data on job duration both for jobs that were known to have terminated and also with regard to jobs at which clients were believed to be still working. Most of the terminated placements ended relatively quickly after the initial placement. In Oakland County, half the PEA placements and one-third of the ET/EM placements that terminated ended within two months of starting the job, and another 25 and 46 percent, respectively, ended in months two and four. On the other hand, in both programs in Oakland County, the majority of clients believed to have been still working had been on their jobs for more than eight months. In Wayne County, more than 70 percent of terminated jobs ended in less than two months. The duration for continuing jobs was smaller than in Oakland County, reflecting the more recent start-up of program operations in Detroit.

Similar patterns in both counties can be observed for jobs found by clients on their own (Table IV.9). Most such jobs known to have terminated did so soon after they began; for both samples the majority of ongoing jobs had lasted more than four months.

D. TYPES OF JOBS IN WHICH CLIENTS HAVE BEEN PLACED

Both the PEA and the ET/EM placements were heavily concentrated in clerical, sales, and service occupations. Fifty-nine percent of the PEA placements and 55 percent of the ET/EM placements in Oakland County fell into these categories (Table IV.10), while in Wayne County 88 percent of PEA placements were in the clerical, sales and service categories. At a more detailed level of disaggregation not shown in the table, frequent types of placement have included food service occupations, stenography and typing, metal fabrication, nurses' aide work, and park maintenance work. Jobs found by clients on their own exhibit similar patterns (Table IV.11).

TABLE IV.8

DURATION OF JOB PLACEMENTS AS OF JUNE 30, 1979

	Oakland County (Based on 29 months of data)				Wayne County (Based on 12 months of data)			
	PEA		ET/EM		PEA		Control	
	Job Terminated	Client Still Working	Job Terminated	Client Still Working	Job Terminated	Client Still Working	Job Terminated	Client Still Working
0 - 1 months	50.0%	19.0%	32.6%	--%	71.4%	35.7%	N.A.	N.A.
2 - 4 months	25.0	--	45.7	1.9	28.6	21.4	N.A.	N.A.
5 - 8 months	18.8	9.6	8.8	16.7	--	28.5	N.A.	N.A.
9 - 14 months	6.2	4.8	6.6	26.1	--	14.3	N.A.	N.A.
15 - 18 months	--	--	4.4	16.8	--	--	N.A.	N.A.
19 - 24 months	--	19.1	2.2	16.8	--	--	N.A.	N.A.
25 - 29 months	--	47.6	--	22.3	--	--	N.A.	N.A.

NOTE: N.A. = Not applicable.

TABLE IV.9

DURATION OF JOBS FOUND ON OWN AS OF JUNE 30, 1979

	Oakland County (Based on 29 months of data)				Wayne County (Based on 12 months of data)			
	PEA		ET/EM		PEA		Control	
	Job Terminated	Client Still Working	Job Terminated	Client Still Working	Job Terminated	Client Still Working	Job Terminated	Client Still Working
0 - 1 months	46.3%	--%	47.3%	--%	75.0%	--%	63.6%	9.6%
2 - 4 months	23.2	10.0	33.4	13.4	16.6	42.4	36.4	23.8
5 - 8 months	19.5	13.9	12.3	13.5	8.3	24.3	--	33.3
9 - 14 months	7.5	25.5	5.4	25.8	--	33.4	--	33.3
15 - 18 months	1.8	14.4	0.0	16.5	--	--	--	--
19 - 24 months	1.8	21.6	1.8	21.6				
25 - 29 months	--	15.0	--	9.2				

Table IV.10

OCCUPATIONS OF JOB PLACEMENTS

Dictionary of Occupational Titles Code	Occupation	Oakland County Percentage		Wayne County Percentage	
		PEA	ET/EM	PEA	Control
0 - 1	Professional, technical, and managerial occupations	9.5	6.9	12.5	N.A.
2	Clerical and sales occupations	26.5	14.6	37.5	N.A.
3	Service occupations	32.1	40.8	50.0	N.A.
4	Farming, fishery, forestry, and related occupations	1.9	8.7	--	N.A.
5	Processing occupations	5.7	3.9	--	N.A.
6	Machine trades occupations	5.7	3.9	--	N.A.
7	Bench work occupations	11.4	2.9	--	N.A.
8	Structural work occupations	0.0	8.8	--	N.A.
9	Miscellaneous occupations	7.6	9.8	--	N.A.

NOTE: N.A. = Not applicable.

Table IV.11

OCCUPATIONS OF JOBS FOUND ON OWN

Dictionary of Occupational Titles Code	Occupation	Oakland County Percentage PEA	Oakland County Percentage ET/EM	Wayne County Percentage PEA	Wayne County Percentage Control
0 - 1	Professional, technical, and managerial occupations	3.7	8.7	15.4	12.5
2	Clerical and sales occupations	24.0	21.1	41.0	25.0
3	Service occupations	37.2	39.1	23.1	37.5
4	Farming, fishery, forestry, and related occupations	0.0	4.6	--	--
5	Processing occupations	2.4	1.4	--	--
6	Machine trades occupations	8.9	4.0	2.6	4.2
7	Bench work occupations	4.7	8.0	5.1	8.3
8	Structural work occupations	10.2	5.4	10.3	8.3
9	Miscellaneous occupations	8.3	8.0	2.5	4.2

E. WAGES

Most of the PEA placements recorded during the experiment in both counties were made at entry-level salaries in the $4,000 to $7,000 per year range (Table IV.12). Some full-time placements were made at somewhat higher salaries--21 percent between $7,000 and $9,000 and 8 percent above $9,000 in Oakland County. The comparable percentages for Wayne County were 17 and 4. The ET/EM placements in Oakland County were also heavily concentrated in the $4,000 to $7,000 range, but the ET/EM jobs had a somewhat broader salary distribution. In particular, the ET/EM program in Oakland County had more placements than the Oakland County experimental program at annual salaries below $4,000, but also had a relatively high percentage (22 percent) of full-time placements above $9,000.

Table IV.13 presents annual salary data for jobs found by clients on their own. In general, it appears that for both the experimental and the control clients, the jobs found on their own had higher wages than did jobs obtained through program placements. This difference is perhaps most striking with the PEA sample in Oakland County, for which 30 percent of jobs found independently had annual salaries in excess of $9,000 as compared to only 8 percent of direct PEA program placements and 22 percent of direct ET/EM placements.

F. TOTAL EARNINGS FOR CLIENTS IN THE TWO PROGRAMS

So far, several different aspects of job placement under the PEA and ET/EM programs have been considered, including whether the placements were full- or part-time, their durations, and their wages. In order to gain additional insight into the effects of the two programs, it is of interest

TABLE IV.12

DISTRIBUTION OF ANNUAL SALARIES FOR PEA AND ET/EM PLACEMENTS

	Oakland County				Wayne County			
	PEA		ET/EM		PEA		Control	
	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time
$1,001 - 2,000	--%	--%	1.3%	24.0%	--%	--%	N.A.	N.A.
2,001 - 3,000	--	--	3.9	20.0	--	--	N.A.	N.A.
3,001 - 4,000	--	33.3	3.9	52.0	--	--	N.A.	N.A.
4,001 - 5,000	19.2	66.7	3.9	4.0	8.7	--	N.A.	N.A.
5,001 - 6,000	30.8	0.0	33.8	--	26.1	--	N.A.	N.A.
6,001 - 7,000	21.2	--	16.9	--	43.5	--	N.A.	N.A.
7,001 - 8,000	15.4	--	7.8	--	17.4	--	N.A.	N.A.
8,001 - 9,000	5.8	--	6.5	--	--	--	N.A.	N.A.
More than $9,000	7.7	--	22.1	--	4.3	--	N.A.	N.A.
Total								

NOTE: N.A. = Not applicable.

TABLE IV.13

DISTRIBUTION OF ANNUAL SALARIES FOR JOBS FOUND ON OWN

	Oakland County				Wayne County			
	PEA		ET/EM		PEA		Control	
	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time
$1,001 - 2,000	1.0%	34.4%	1.0%	29.3%	--%	40.7%	--	7.1%
2,001 - 3,000	1.0	23.7	1.0	15.5	--	14.8	--	57.1
3,001 - 4,000	1.5	26.9	3.0	27.6	3.7	18.5	5.3	21.4
4,001 - 5,000	11.7	6.5	3.0	12.1	7.4	14.8	--	7.1
5,001 - 6,000	15.7	4.3	16.8	5.2	14.8	3.7	15.8	7.1
6,001 - 7,000	17.3	2.2	21.8	5.2	25.9	--	15.8	--
7,001 - 8,000	10.7	0.0	10.9	3.4	11.1	3.7	21.1	--
8,001 - 9,000	11.2	0.0	9.9	0.0	11.1	3.7	5.3	--
More than $9,000	29.9	2.2	32.7	1.7	25.9	0.0	36.8	--

to develop a summary measure that reflects all of these factors in a single variable. In particular, it is convenient to examine total earnings for jobs found through the program, because for each job this measure reflects hours worked, job duration, and the wage rate.[1]

Frequency distributions for total earnings as of June 30, 1979 for jobs found through the programs are presented in Table IV.14. A significant number of both PEA and ET/EM jobs had total earnings of less than $1,000, reflecting that it was not uncommon for jobs found through placements to terminate very soon. In Oakland County, 15 percent of both the PEA jobs and the ET/EM jobs fall into the $1,001 to $3,000 category, with most of the other jobs quite evenly distributed between $3,001 and $15,000. Four percent of the PEA jobs and 8 percent of the ET/EM jobs had earnings in excess of $15,000 by June 30, 1979. In Wayne County, total earnings by June 30, 1979 were much more tightly clustered

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[1] While total earnings is a useful summary measure of the characteristics of jobs found, two limitations should be kept in mind when interpreting the results of analysis based on this variable: First, jobs began at different times, and some clients are still working. Therefore, total earnings is a somewhat arbitrary measure in that it reflects when jobs happened to be found and when the data set was assembled to meet the requirements of the analysis schedule. This difficulty is largely unavoidable because the sample sizes of placements are generally too small to make accurate inferences with regard to the ultimate duration of jobs which have not yet terminated. Second, the clients who were placed were in all likelihood among the most employable individuals in the overall sample, and many of them could have been expected ultimately to have found jobs on their own in the absence of the program. Thus, it would be incorrect to consider all job placement earnings to be net program benefits. To some extent these two problems offset each other in the analysis, because we are not considering earnings after the data cutoff point but are considering all earnings up to that point. However, since the magnitude of these two effects cannot be precisely determined, the results in the text must be interpreted cautiously.

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TABLE IV.14

DISTRIBUTION OF TOTAL EARNINGS AS OF JUNE 30, 1979 FOR JOBS FOUND THROUGH PROGRAM PLACEMENT

	Oakland County (Based on 29 months of data)		Wayne County (Based on 12 months of data)	
	PEA	ET/EM	PEA	Control
$ 0 - 1,000	41.5%	29.6%	40.0%	N.A.
1,001 - 3,000	15.0	15.3	45.0	N.A.
3,001 - 5,000	7.5	15.3	15.0	N.A.
5,001 - 7,000	9.5	9.2	--	N.A.
7,001 - 9,000	5.7	11.2	--	N.A.
9,001 - 12,000	7.6	5.0	--	N.A.
12,001 - 15,000	9.5	6.2	--	N.A.
More than 15,000	3.8	8.0	--	N.A.

NOTE: N.A. = Not applicable.

in the range under $5,000, reflecting the later startup of program operations in that county.

As shown in Table IV.15, total earnings as of June 30, 1979 for a substantial number of jobs found on own were also below $3,000 for both experimental and control clients in both counties. However, for both samples, somewhat greater numbers of jobs found on own had total earnings in the higher earnings categories.

Table IV.16 presents data for the two programs on average cumulative earnings per job, for jobs found directly from program placements and also for other jobs found by experimental and control clients on their own. In Oakland County as of June 30, 1979, the average earnings of program participants in jobs resulting from recorded placements were considerably higher in the ET/EM program than in the PEA program. However, the reverse was true with regard to jobs found by clients on their own. In Wayne County the average cumulative earnings for clients who found their own jobs were similar for both PEA program and control group clients. PEA program placements in Wayne County had cumulative earnings that were well below those reported for jobs found on own.

G. REDUCTIONS IN MONTHLY GRANT PAYMENTS.

Because one of the principal objectives of the PEA program was to achieve reductions in state welfare payment costs by replacing assistance payments to clients with earnings, it is important to consider potential payment reductions resulting from the job placements discussed above. Because of difficulties in obtaining MDSS payments data, it was not possible to use direct information on grant reductions for the current analysis. Such reductions can, however, be estimated on the basis of

TABLE IV.15

DISTRIBUTION OF TOTAL EARNINGS AS OF JUNE 30, 1979 FOR JOBS FOUND ON OWN

	Oakland County (Based on 29 months of data)		Wayne County (Based on 12 months of data)	
	PEA	ET/EM	PEA	Control
$ 0 - 1,000	25.7%	22.8%	41.9%	48.3%
1,001 - 3,000	21.0	30.8	30.2	13.7
3,001 - 5,000	11.3	12.8	11.7	17.2
5,001 - 7,000	9.4	7.4	7.0	6.9
7,001 - 9,000	7.3	4.7	4.6	--
9,001 - 12,000	9.8	7.4	--	13.8
12,001 - 15,000	4.6	3.3	4.6	--
More than 15,000	10.9	10.7	--	--

TABLE IV.16

AVERAGE CUMULATIVE EARNINGS PER JOB

AS OF JUNE 30, 1979

	Oakland County (Based on 29 months of data)		Wayne County (Based on 12 months of data)	
	PEA	ET/EM	PEA	Control
Program placements	$5,015	$6,387	$2,039	N.A.
Jobs found on own	7,250	6,347	2,819	2,894
Total[a]	$6,997	$6,359	$2,687	$2,894

NOTE: N.A. = Not applicable.

[a] Totals are weighted averages, with the weights based on proportions of jobs found through placement and on own.

available information about jobs and client characteristics. The results of such calculations with regard to job placements are shown in Table IV.17.[1]

In Oakland County, 52 percent of the PEA placements are estimated to have resulted in monthly MDSS grant reductions of between $101 and $200, with another 32 percent falling into the $201 to $300 range. As was the case with the annual earnings data, the distribution of monthly grant reductions is somewhat broader for the ET/EM program than for the PEA program, with 21 percent of ET/EM placements estimated to have led to monthly reductions of less than $100 and 25 percent estimated to have resulted in reductions of more than $300. In the Wayne County PEA program the bulk of the placements were concentrated in the $101 to $300 range. The average monthly grant reductions in Oakland County were $195 for PEA placements and $208 for ET/EM placements. Wayne County PEA placements resulted in an average monthly grant reduction of $194.

As shown in Table IV.18, in both counties the distribution of monthly grant reductions for jobs found on own is somewhat broader than that of job placements. This reflects the broader range of salaries for jobs found on own as well as the greater number of part-time jobs in this category. Average reductions were somewhat lower for jobs found on own.

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[1] These calculations were made using standard MDSS procedures for estimating grant reductions (from MDSS Form 705). On the basis of information obtained from MDSS, average local, state, and federal taxes on earnings were assumed to be 15 percent of earnings, and $40 of work-related expenses per month were assumed. The "30-and-a-third" disregard was taken in cases where it was applicable. It should be noted that estimating grant reductions in this way involves the implicit assumption that grant payment changes are quickly and accurately made by MDSS in response to earnings changes. Record checks were conducted by MDSS staff members for a sample of clients who were placed, and it was found that, in most cases, potential grant savings were reflected in payments within a month and the margin of error in budgeting grant reductions was less than 10 percent. Thus, the estimated grant reductions discussed in the text can be assumed to be quite accurate.

TABLE IV.17

MDSS MONTHLY GRANT REDUCTIONS FOR PLACEMENTS

	Percentage of Placements			
	Oakland County		Wayne County	
	PEA	ET/EM	PEA	Control
0 - 100	7.4	20.6	--	N.A.
101 - 200	51.9	32.4	72.7	N.A.
201 - 300	31.5	22.5	22.7	N.A.
301 - 400	5.6	21.6	--	N.A.
401 - 500	1.9	1.0	4.5	N.A.
More than 500	1.9	2.0	--	N.A.
Average Monthly grant reductions per job	$194.50	$208.38	$193.75	N.A.

NOTE: N.A. = Not applicable.

TABLE IV.18

MDSS MONTHLY GRANT REDUCTIONS FOR JOBS FOUND ON OWN

	Percentage of Jobs Found on Own			
	Oakland County		Wayne County	
	PEA	ET/EM	PEA	Control
0 - 100	29.7	26.6	48.0	42.4
101 - 200	29.0	28.5	36.0	30.3
201 - 300	21.6	22.8	12.0	15.2
301 - 400	13.1	15.2	4.0	9.1
401 - 500	5.3	5.1	0.0	3.0
More than 500	1.4	1.9	0.0	0.0
Average Monthly grant reductions per job	$185.23	$199.15	$107.13	$144.49

H. TOTAL GRANT REDUCTIONS FOR CLIENTS IN THE TWO PROGRAMS

An additional aggregate measure of program effects for the PEA and ET/EM programs is total grant reductions under the two programs as of June 30, 1979. This variable takes into account both the magnitude of monthly grant reductions due to jobs and also the durations of the jobs.[1] Estimates of total grant reductions are presented in Table IV.19. As in the earlier analysis of placement rates, estimates of grant reductions per client from placements have been made using the entire sample of clients in the PEA and ET/EM programs, while estimates of grant reductions for jobs found by clients on their own are based on completed periodic follow-up interviews.

In Oakland County the average grant reduction per client for jobs recorded as program placements is substantially greater for the ET/EM program compared to the PEA program ($257 versus $69).[2] The bulk of estimated grant reductions for both samples, however, has been associated with jobs found by clients on their own.

A similar pattern is apparent in Wayne County, where most of the total estimated grant savings are again derived from jobs found on own. However, the amounts of total grant reductions as of June 30, 1979

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[1] Many of the same qualifications discussed earlier with regard to interpreting the total earnings variable apply to total grant reductions as well.

[2] The average grant reductions from direct placements for the PEA samples have been computed as averages for all such clients, including those who were not referred to PEA. If these averages are computed only for clients actually referred to PEAs, the resulting grant reduction per client figures are $180 in Oakland and $33 in Wayne County.

TABLE IV.19

ESTIMATED TOTAL MDSS GRANT REDUCTIONS PER CLIENT AS OF JUNE 30, 1979

	Oakland County (Based on 29 months of data)		Wayne County (Based on 12 months of data)	
	PEA	ET/EM	PEA	Control
Grant reductions per client from program placements	69	257	11	N.A.
Grant reductions per client from jobs found on own	669	525	47	56
Total grant reductions per client	738	782	58	56

NOTE: N.A. = Not applicable.

for Wayne County are much lower than those for Oakland County, both because of the later startup date in Wayne County and because placement rates and rates of finding jobs on own were lower in Wayne County.

Overall, when all estimated grant reductions are considered, the estimated average grant reduction per client in the PEA program is $44 lower than the comparable figure for the ET/EM clients in Oakland County and $2 higher than control clients in Wayne County.

So far the discussion has focused on grant reduction per client. It is also of interest to consider estimated grant reductions per direct placement for the programs. In Oakland County, on the basis of 29 months of data, the average total grant reduction per placement is $1,763 in the PEA program and $2,239 in the ET/EM program. In Wayne County, on the basis of the 12 months of data available, average grant reduction per placement is estimated to be $546.

I. MULTIVARIATE ANALYSIS OF PROGRAM BENEFITS

Additional insight concerning the program benefits discussed above can be obtained by using multivariate statistical techniques to examine the effects of the PEA and ET/EM programs after statistically controlling for other factors that may affect clients' employability, such as sex, race, education, and previous employment experience. Such analysis is useful because it serves to highlight the direct effect of the program and because it provides a convenient framework within which to conduct hypothesis tests concerning whether observed program effects are statistically significant. The discussion below first presents a multivariate analysis of the probability of finding jobs for experimental and control clients and then uses similar techniques to examine earnings obtained from such jobs.

An appropriate statistical technique for examining the probability of finding jobs for clients in the two programs is probit analysis.[1] This statistical procedure is a multivariate technique that is similar to regression analysis, but unlike regression analysis it provides efficient parameter estimates in instances where the dependent variable is dichotomous, as in the present analysis where the dependent variable reflects whether or not a client found a job. The results of using probit analysis to examine the probability of being placed by the PEA or the ET/EM programs in Oakland County are presented in Table IV.20 which shows estimated changes in placement probabilities associated with the independent variables.[2]

As shown in the table, the PEA variable is negative and significantly different from zero, showing that there is a significantly greater probability of ET/EM clients having recorded program placements as compared to PEA clients. A similar result was obtained when the analysis was performed excluding ET/EM placements to publicly subsidized jobs.

The probit analysis reported in Table IV.20 focused on recorded direct program placements. It was pointed out during the analysis in Section B, however, that while the recorded program placement rate was higher for the ET/EM compared to the PEA program, the reverse was true when jobs found independently were considered. Since, as discussed earlier, it is difficult to fully determine the extent to which recorded job placements are directly attributable to the programs, it is of interest to examine the overall probability of clients in the two programs finding jobs either through program placements or on their own.

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[1] See Arthur Goldberger, Econometric Theory, New York: Wiley, 1964 for additional discussion of the nature and advantages of probit analysis.

[2] The probit analysis of experimental effects on the probability of placement was only done for Oakland County, since control clients in Wayne County did not participate in a program in which placements were made.

TABLE IV.20

PROBIT ANALYSIS OF JOB PLACEMENTS

	Oakland County	
Independent Variable	Change in Probability from Independent Variable[a]	t Statistic
Constant	-0.189	6.362*
Male (=1 if male; =0 if female)	+0.018	1.356
White (=1 if client is white; =0 if Black or other)	-0.008	0.731
Handicap (=1 if client has mental or physical handicap; =0 otherwise)	-0.003	0.186
Education Level I (=1 if highest grade completed is 9-11, =0 otherwise)	+0.023	1.292
Education Level II (=1 if client has high school diploma; =0 otherwise)	+0.024	1.292
Work Experience (=1 if client has previous work experience, =0 otherwise)	+0.015	1.257
Age Under 18 (=1 if age under 18, =0 otherwise)	+0.036	0.943
Age 18 - 21	+0.038	2.004*
Age 22 - 25	+0.029	1.326
Age 31 - 40	+0.026	1.709*
Age 41 - 50	+0.021	1.159
Age over 50	+0.019	0.742
Recent Opening (=1 if MDSS case was opened in year prior to program entry; =0 otherwise)	-0.017	1.743*
Mandatory (=1 if client is mandatory WIN registrant; =0 otherwise)	+0.001	0.030
Certified (=0 if client is registrant only; =1 if WIN certified)	+0.022	1.592
PEA (=1 if PEA, =0 if ET/EM)	-0.057	5.901*
Sample Size[b]	2,213	

NOTE: Asterisk indicates estimated change in probability is statistically different from zero at the 90% level using a two-tailed test.

[a] All changes in probabilities are evaluated at the mean probability for the sample.

[b] Observations with missing data were not included in estimating the equations.

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The results of this analysis are presented in Table IV.21.[1] When the probability of a client finding a job either on his or her own or through program placement is considered, the PEA experimental status variable is no longer statistically significant in Oakland County. This implies that in terms of overall rates of finding jobs, the probabilities of finding jobs in the two programs are not significantly different. In Wayne County, however, participation in the experiment does have a statistically significant effect on the probability of finding a job, though the estimated size of the effect is relatively small, with PEA clients estimated to be 2.8 percent more likely to obtain employment.

As noted earlier, probability of placement is only one measure of program success. Also relevant are such factors as job duration, hours worked, and wages, which can be summarized by examining total earnings data. Multivariate techniques were used to examine differences between experimental and control clients in earnings from jobs resulting from program placements. This analysis was undertaken to determine whether the employment obtained by clients who were able to find jobs differed significantly by program status with regard to total earnings. Therefore, only clients who obtained jobs were included in the analysis. Since the dependent variable in such analysis--earnings--is continuous rather than being dichotomous, as was the case in the placement analysis, least squares regression techniques are appropriate for this work.

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[1] Since data on jobs found by the clients on their own are obtained principally from periodic follow-up interviews, the probit analysis reported in Table IV.21 was run only on the sample of clients who completed periodic follow-up interviews.

TABLE IV.21

PROBIT ANALYSIS OF JOB PLACEMENTS AND JOBS FOUND ON OWN

Independent Variable	Oakland County		Wayne	
	Change in Probability from Independent Variable[a/]	t Statistic	Change in Probability from Independent Variable	t Statistic
Constant	-0.434	6.161*	-0.110	3.028*
Male (=1 if male; =0 if female)	+0.089	2.608*	-0.006	0.209
White (=1 if client is white; =0 if Black or other)	+0.073	2.559*	+0.010	0.564
Handicap (=1 if client has mental or physical handicap; =0 otherwise)	-0.042	1.163	-0.075	1.810*
Education Level I (=1 if highest grade completed is 9-11, =0 otherwise)	+0.092	2.180*	-0.048	1.621
Education Level II (=1 if client has high school diploma; =0 otherwise)	+0.128	2.934*	-0.049	1.616
Work Experience (=1 if client has previous work experience, =0 otherwise)	+0.104	3.570*	+0.020	1.215
Age Under 18 (=1 if age under 18, =0 otherwise)	+0.113	1.026	+0.039	0.666
Age 18 - 21	+0.152	3.369*	+0.044	1.528
Age 22 - 25	+0.047	0.903	-0.033	1.036
Age 31 - 40	+0.010	0.309	+0.004	0.255
Age 41 - 50	-0.108	2.515*	-0.039	1.532
Age over 50	-0.128	2.212*	-0.309	0.289
Recent Opening (=1 if MDSS case was opened in year prior to program entry; =0 otherwise)	-0.010	0.429	+0.005	0.225
Mandatory (=1 if client is mandatory WIN registrant; =0 otherwise)	-0.004	0.098	-0.019	1.075
Certified (=0 if client is registrant only; =1 if WIN certified)	+0.080	2.294*	-0.017	0.790
PEA (=1 if PEA, =0 if Control)	-0.012	0.501	+0.028	1.953*
Sample Size[b/]	1,573		833	

NOTE: Asterisk indicates estimated change in probability is statistically different from zero at the 90% level using a two-tailed test.

[a/] All changes in probabilities are evaluated at the mean probability for the sample.

[b/] Observations with missing data were not included in estimating the equations.

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Table IV.22 presents the results of this analysis for Oakland County.[1] The regression coefficient on the experimental status variable in the regression is negative and statistically significant. This implies that when only direct program placements are considered, earnings from ET/EM placements are significantly greater than are those from PEA placements.

As with the earlier probit analysis, it is also of interest to consider earnings not only in jobs resulting from program placements but in all jobs, including both placements and jobs found independently. The results of a regression analysis of earnings for all jobs obtained by experimental and control clients is presented in Table IV.23. The results in Oakland County are similar to those observed in the placement analysis. As shown in the table, the experimental status variable becomes statistically insignificant in Oakland County when all jobs are included in the analysis. In Wayne County the sign on the PEA variable is also not statistically significant.

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[1] As with the probit analysis of job placement probabilities, the regression analysis of earnings in jobs resulting from direct placements was only performed for Oakland County, since control observations in Wayne County did not participate in a program in which placements were made.

TABLE IV.22

REGRESSION ANALYSIS OF TOTAL EARNINGS AS OF JUNE 30, 1979 IN JOBS FOUND THROUGH PROGRAM PLACEMENT

Independent Variable	Oakland County Coefficient	 t Statistic
Constant	+10,464	
Male (=1 if male; =0 if female)	-2,265	1.39
White (=1 if client is white; =0 if Black or other)	+1,554	1.22
Handicap (=1 if client has mental or physical handicap; =0 otherwise)	-2,090	1.14
Education Level I (=1 if highest grade completed is 9-11, =0 otherwise)	-3,270	1.51
Education Level II (=1 if client has high school diploma; =0 otherwise)	-3,908	1.73*
Work Experience (=1 if client has previous work experience, =0 otherwise)	+14	0.0
Age Under 18 (=1 if age under 18, =0 otherwise)	-4,159	1.00
Age 18 - 21	-2,381	0.99
Age 22 - 25	+5,145	2.12
Age 31 - 40	-760	0.42*
Age 41 - 50	-312	0.13
Age over 50	-3,628	1.27
Recent Opening (=1 if MDSS case was opened in year prior to program entry; =0 otherwise)	+215	0.19
Mandatory (=1 if client is mandatory WIN registrant; =0 otherwise)	-731	0.33
Certified (=0 if client is registrant only; =1 if WIN certified)	+2,363	1.51
PEA (+1 if PEA, =0 if ET/EM)	-2,219	1.93*
Sample Size[a]	133	

NOTE: Asterisk indicates estimated change in probability is statistically different from zero at the 90% level using a two-tailed test.

[a] Observations with missing data were excluded from the regressions.

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TABLE IV.23

REGRESSION ANALSYSIS OF TOTAL EARNINGS AS OF JUNE 30, 1979 IN JOBS FOUND THROUGH PLACEMENT AND JOBS FOUND ON OWN

Independent Variable	Oakland County		Wayne	
	Coefficient	t Statistic	Coefficient	t Statistic
Constant	+5,715		+3,132	
Male (=1 if male; =0 if female)	+4,461	3.94*	+1,357	1.02
White (=1 if client is white; =0 if Black or other)	+581	0.58	-1,763	2.26*
Handicap (=1 if client has mental or physical handicap; =0 otherwise)	-46	0.03	+1,370	0.49
Education Level I (=1 if highest grade completed is 9-11, =0 otherwise)	+522	0.33	-777	0.58
Education Level II (=1 if client has high school diploma; =0 otherwise)	+2,237	1.36	+904	0.64
Work Experience (=1 if client has previous work experience, =0 otherwise)	-713	0.69	-608	0.76
Age Under 18 (=1 if age under 18, =0 otherwise)	-2,114	0.81	+305	0.12
Age 18 - 21	-3,631	3.10*	+444	0.38
Age 22 - 25	+1,448	1.01	+722	0.51
Age 31 - 40	+1,139	1.45	-478	0.63
Age 41 - 50	+650	0.50	-1,679	1.09
Age over 50	+2,811	1.51	+1,069	0.23
Recent Opening (=1 if MDSS case was opened in year prior to program entry; =0 otherwise)	+404	0.50	+1,247	1.29
Mandatory (=1 if client is mandatory WIN registrant; =0 otherwise)	-1,029	0.67	+197	0.24
Certified (=0 if client is registrant only; =1 if WIN certified)	-1,153	0.98	-800	0.70
PEA (=1 if PEA; =0 if ET/EM)	+529	0.67	-913	1.31
Sample Size[a]	433		55	

NOTE: Asterisk indicates estimated change in probability is statistically different from zero at the 90% level using a two-tailed test.

[a] Observations with missing data were excluded from the regressions.

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V. DETERMINANTS OF PROGRAM OUTCOMES

In order to help interpret the outcomes of the experiment and to determine whether the project experience can provide insights into the operations of employment programs, this chapter analyzes how the program contributed to the observed results.

A. CHARACTERISTICS OF CLIENTS PLACED BY TWO PROGRAMS

In evaluating the experiment, it is important to identify what types of clients were placed in jobs by the PEA program compared to the ET/EM program in Oakland, and compared to those who became employed in the Wayne County control group. Furthermore, examining the characteristics of all persons who became employed can help target programs toward those groups most likely to benefit from employment assistance. Table V.1 compares selected characteristics of clients placed and not placed in jobs. No entries are shown for the Wayne County control group because there was no formal employment program for the control group there. These data must be interpreted with caution because the effects of other variables cannot be controlled for in a simple cross-tabulation framework and because formal tests of statistical significance are not presented. The multivariate results presented below overcome these shortcomings.

The PEA clients who were placed in Oakland County, compared to PEA clients who were not placed there, appeared to be slightly better educated, had had more previous work experience, and had much greater access to an automobile. It also appears that persons who were WIN certified were more likely to be placed, presumably a reflection of their employability as perceived by the WIN worker (although it should be noted that fathers in the ADC-U program are automatically WIN certified). There

TABLE V.1

SELECTED CHARACTERISTICS OF CLIENTS PLACED IN JOBS COMPARED TO THOSE NOT PLACED

	Oakland				Wayne	
	PEA		ET/EM		PEA	
	Clients Placed	Clients Not Placed	Clients Placed	Clients Not Placed	Clients Placed	Clients Not Placed
Highest grade completed:						
Less than 8	2%	6%	3%	5%	0%	2%
8 - 11	52	57	66	56	38	34
12	39	31	28	31	54	57
More than 12	8	7	3	7	8	7
Reported prior work experience	89	72	61	69	77	75
Reported access to car	72	51	N.A.	N.A.	36	35
Female	81	80	69	81	100	91
WIN Status						
Registrant only	71	86	90	89	91	88
Certified	29	14	10	11	9	12
Mandatory	94	92	94	94	75	79
Voluntary	6	8	6	6	25	21
Ethnicity						
White	79	77	75	79	8	20
Black	19	20	22	18	92	79
Other	2	3	3	3	0	1

NOTE: N.A. = Not applicable.

are also some interesting differences for the ET/EM clients. The ET/EM program appeared quite successful in placing clients with less than a high school education, perhaps the result of having access to subsidized jobs for youth. The ET/EM placements had relatively less work experience than those not placed, possibly also explained by the availability of those subsidized placements. Finally, males had a higher probability of being placed. Because information about access to cars was obtained only at the PEA orientation sessions, it was not possible to observe the effects of this factor on the ET/EM program participants.

In Wayne County, there were few differences between those PEA clients who were placed and those who were not. One difference that is apparent, however, is that a higher proportion of Blacks were placed.

Table V.2 presents the same variables for clients who found a job on their own. Educational attainment continues to be positively related to employment (the differences for the Wayne County control group, which run counter to expectation, are probably accounted for by sampling error due to the small number of control group members [25] who found a job on their own). As with program placements, persons with prior work experience and access to a car were generally more likely to find a job on their own, as were males in the Oakland County control group. Whites were more likely to find a job on their own than Blacks.

Additional insight with regard to the relationship between client characteristics and program placement can be gained by using multivariate techniques similar to those discussed in the previous chapter. Tables V.3 and V.4 present the results of probit analyses to determine what client characteristics were related to program placement in the PEA and the ET/EM

TABLE V.2

SELECTED CHARACTERISTICS OF CLIENTS FINDING JOBS ON OWN COMPARED TO THOSE NOT FINDING JOBS ON OWN

	Oakland				Wayne			
	PEA		ET/EM		PEA		Control	
	Found Job	Found No Job	Found Job	Found No Job	Found Job	Found No Job	Found Job	Found No Job
Highest grade completed:								
Less than 8	4%	6%	2%	6%	0%	3%	4%	2%
8 - 11	56	58	56	58	27	35	64	41
12	34	30	36	30	61	56	32	54
More than 12	7	7	5	7	11	7	0	3
Reported prior work experience	79	71	72	67	88	74	56	64
Reported access to car	65	50	N.A.	N.A.	48	35	N.A.	N.A.
Female	79	81	72	81	89	91	92	91
WIN Status								
Registrant only	84	85	83	91	90	88	84	85
Certified	16	15	17	9	10	12	16	15
Mandatory	92	92	93	94	72	79	86	81
Voluntary	8	8	7	6	28	21	14	19
Ethnicity								
White	83	76	84	78	23	20	24	19
Black	15	21	14	19	77	79	76	80
Other	2	3	2	3	0	1	0	1

NOTE: N.A. = Not applicable.

TABLE V.3

PROBIT ANALYSIS OF CLIENTS PLACED BY PEA PROGRAM

Independent Variable	Oakland County		Wayne County	
	Change in Probability from Independent Variable[a]	t Statistic	Change in Probability from Independent Variable	t Statistic
Constant	-0.186	6.203*	-0.012	2.826*
Male (=1 if male; =0 if female)	+0.002	0.118	-0.020	0.110
White (=1 if client is white; =0 if Black or other)	+0.000	0.017	-0.005	1.748*
Handicap (=1 if client has mental or physical handicap; =0 otherwise)	+0.002	0.117	-0.021	0.119
Education Level I (=1 if highest grade completed is 9-11, =0 otherwise)	+0.020	1.147	-0.001	0.280
Education Level II (=1 if client has high school diploma; =0 otherwise)	+0.022	1.261	-0.002	0.659
Work Experience (=1 if client has previous work experience, =0 otherwise)	+0.025	1.945*	+0.001	0.555
Age under 18 (=1 if age under 18, = 0 otherwise)	-0.158	0.226	-0.020	0.034
Age 18 - 21	-0.003	0.155	+0.001	0.208
Age 22 - 25	+0.011	0.545	-0.020	0.100
Age 31 - 40	+0.011	0.824	+0.002	0.928
Age 41 - 50	+0.019	1.228	-0.003	0.984
Age over 50	+0.015	0.711	-0.021	0.061
Recent Opening (=1 if MDSS case was opened in year prior to program entry; =0 otherwise)	-0.001	0.092	-0.003	1.037
Mandatory (=1 if client is mandatory WIN registrant; =0 if otherwise)	+0.010	0.550	+0.000	0.218
Certified (=0 if client is registrant only; =1 if WIN certified)	+0.024	2.089*	-0.001	0.324
Sample Size[b]	1,352		898	

NOTE: Asterisk indicates estimated change in probability is statistically different from zero at the 90% level using a two-tailed test.

[a] All changes in probabilities are evaluated at the mean probability for the sample.

[b] Observations with missing data were not included in estimating the equations.

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TABLE V.4

PROBIT ANALYSIS OF CLIENTS PLACED BY ET/EM PROGRAM

Independent Variable	Oakland County: Change in Probability from Independent Variable[a]	Oakland County: t Statistic
Constant	-0.233	3.975*
Male (=1 if male; =0 if female)	+0.034	1.284
White (=1 if client is white; =0 if Black or other)	-0.023	0.967
Handicap (=1 if client has mental or physical handicap; =0 otherwise)	-0.004	0.134
Education Level I (=1 if highest grade completed is 9-11, =0 otherwise)	+0.028	0.751
Education Level II (=1 if client has high school diploma; =0 otherwise)	+0.017	0.429
Work Experience (=1 if client has previous work experience, =0 otherwise)	+0.007	0.299
Age Under 18 (=1 if age under 18, =0 otherwise) .	+0.104	1.454
Age 18 - 21	+0.092	2.367*
Age 22 - 25	+0.056	1.239
Age 31 - 40	+0.052	1.606
Age 41 - 50	+0.003	0.082
Age over 50	+0.005	0.089
Recent Opening (=1 if MDSS case was opened in year prior to program entry; =0 otherwise)	-0.049	2.340*
Mandatory (=1 if client is mandatory WIN registrant; =0 if otherwise)	-0.021	0.502
Certified (=0 if client is registrant only; =1 if WIN certified)	-0.008	0.221
Sample Size[b]	861	

NOTE: Asterisk indicates estimated change in probability is statistically different from zero at the 90% level using a two-tailed test.

[a] All changes in probabilities are evaluated at the mean probability for the sample.

[b] Observations with missing data were not included in estimating the equations.

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programs. As shown in the tables, relatively few of the client characteristic variables included in the probit analyses appear to have had any significant effect in either program or county, but the patterns of those effects that are revealed are noticeably different in the two programs. For the PEA program in Oakland County, the only two independent variables significantly related to the probability of being placed are prior work experience and WIN certification, although the sizes of the effects are small. People with prior work experience have a 2.5 percent greater probability of being placed, and those who are WIN certified have a 2.4 percent greater probability of placement. In Wayne County, the only statistically significant variable is race, with Blacks having 0.5 percent greater probability of placement than whites. In the ET/EM program in Oakland County (Table V.4) the only independent variables with statistically significant effects are age and length of time on welfare. Persons who were 18-21 years old had a greater probability of being placed by the ET/EM workers than other clients. Recipients who were on assistance longer than a year (the variable called "recent opening") had a 5 percent greater probability of being placed than those on assistance less than a year.[1] These results offer little guidance to program operators who are interested in identifying clients most likely to benefit from similar employment programs. The situation changes, however, when we examine the results with respect to all recipients who became employed during the course of the project, not simply those who were recorded as direct program placements. Table V.5 presents the results of a probit analysis of the characteristics of clients who were directly placed by either a PEA or

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[1] Access to cars was not included in the probit analyses because such data--collected only at the PEA orientation sessions--were unavailable for many of the PEA program participants.

TABLE V.5

PROBIT ANALYSIS OF JOB PLACEMENTS
AND JOBS FOUND ON OWN

	Oakland County		Wayne County	
Independent Variable	Change in Probability from Independent Variable[a/]	t Statistic	Change in Probability from Independent Variable	t Statistic
Constant	-0.434	6.161*	-0.110	3.028*
Male (=1 if male; =0 if female)	+0.089	2.608*	-0.006	0.209
White (=1 if client is white; =0 if Black or other)	+0.073	2.559*	+0.010	0.564
Handicap (=1 if client has mental or physical handicap; =0 otherwise)	-0.042	1.163	-0.075	1.810*
Education Level I (=1 if highest grade completed is 9-11, =0 otherwise)	+0.092	2.180*	-0.048	1.621
Education Level II (=1 if client has high school diploma; =0 otherwise)	+0.128	2.934*	-0.049	1.616
Work Experience (=1 if client has previous work experience, =0 otherwise)	+0.104	3.570*	+0.020	1.215
Age Under 18 (=1 if age under 18, =0 otherwise)	+0.113	1.026	+0.039	0.666
Age 18 - 21	+0.152	3.369*	+0.044	1.528
Age 22 - 25	+0.047	0.903	-0.033	1.036
Age 31 - 40	+0.010	0.309	+0.004	0.255
Age 41 - 50	-0.108	2.515*	-0.039	1.532
Age over 50	-0.128	2.212*	-0.309	0.289
Recent Opening (=1 if MDSS case was opened in year prior to program entry; =0 otherwise)	-0.010	0.429	+0.005	0.225
Mandatory (=1 if client is mandatory WIN registrant; =0 if otherwise)	-0.004	0.098	-0.019	1.075
Certified (=0 if client is registrant only; =1 if WIN certified)	+0.080	2.294*	-0.017	0.790
PEA (=1 if PEA, =0 if Control)	-0.012	0.501	+0.028	1.953*
Sample Size[b/]	1,573		833	

NOTE: Asterisk indicates estimated change in probability is statistically different from zero at the 90% level using a two-tailed test.

[a/] All changes in probabilities are evaluated at the mean probability for the sample.

[b/] Observations with missing data were not included in estimating the equations.

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an ET/EM worker and those who found jobs on their own (this table also appears in the preceding chapter as Table IV.21). In Oakland County, several variables had statistically significant effects. Males and whites were more likely to become employed, as were clients with previous work experience and persons with some high school education and persons with 12 or more years of education (both in comparison to persons with less than 9 years of education). Persons 18-21 years old were relatively more likely to become employed, although a comparison with Table V.4 suggests that this results principally from the ET/EM placement experience. Persons over 40 years old had a lower probability of finding a job. WIN certified clients were also more likely to become employed. The magnitude of the shifts in probability of employment range from 7 to 13 percent. These results tend to confirm the conventional wisdom about which factors influence employment potential.

Similar findings are not observed in the Wayne County data. Only two variables were statistically significant for the Wayne County sample. Persons who were not handicapped had an 8 percent greater probability of being employed and those who were in the experimental (PEA) group, a 3 percent greater probability of employment.

These results make it difficult to draw a strong conclusion. They suggest that the typical objective measures of employability may not fully capture the more subjective factors, such as motivation and attitude, that affect employment potential.

B. ATTENDANCE AT PEA ORIENTATION SESSIONS

The orientation session is a key step in the PEA program. However, obtaining high attendance rates at these sessions proved to be remarkably difficult. Less than half the PEA clients attended orientation sessions in the two counties (46 percent in Oakland County and 43 percent in Wayne County) although virtually all of them had one or more sessions scheduled. As shown in Table V.6, for many clients several orientation sessions were scheduled--in both counties more than one orientation session had to be scheduled for over half the sample. The project staff observed that most of the people who attended orientation did attend the first scheduled session. Scheduling additional sessions for those who missed the first one had a negligible effect on the attendance rate.

These data are significant because they may provide important clues regarding client motivation and attitudes. While it was not uncommon for a client to be prevented from attending an orientation session because of a valid medical or transportation problem, the very high number of clients who repeatedly failed to show up for scheduled orientation sessions suggests that, for a large segment of the sample, motivational factors may be an important hindrance with regard to job placement.

In attempting to identify the types of individuals relatively more likely to attend orientation, it is interesting to compare selected demographic and economic characteristics of clients who attended orientation with those of the PEA sample who did not attend. Table V.7 presents these data.[1/] In general, clients attending orientation tended to have somewhat less education, slightly fewer of them reported having previous work experience, and in Wayne County they were somewhat more likely to be males.

[1/] It would have been desirable to have included access to an automobile among the selected characteristics for which data are presented in the table. This was not possible, however, because information on this variable was collected on the Supplemental Client History Form administered at the orientation sessions and was therefore available only for those clients who attended.

TABLE V.6

NUMBER OF ORIENTATION SESSIONS SCHEDULED FOR PEA CLIENTS

	Percentage of all Experimental Clients in	
	Oakland	Wayne
Number of Sessions Scheduled		
1	44%	45%
2	20	31
3	22	22
4	11	1
More than 4	4	--

NOTE: Percentages may not add to 100 due to rounding.

TABLE V.7

SELECTED CHARACTERISTICS OF CLIENTS ATTENDING ORIENTATION COMPARED TO CLIENTS NOT ATTENDING ORIENTATION

	Oakland		Wayne	
	PEA Clients Attending Orientation	PEA Clients Not Attending Orientation	PEA Clients Attending Orientation	PEA Clients Not Attending Orientation
Highest grade completed				
Less than 8	7%	4%	2%	3%
8 - 11	60	54	38	32
12	28	34	54	59
More than 12	6	8	7	7
Female	80	81	89	93
Reported previous work experience	72	74	72	76
Found work on own[a]	28	22	9	5

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[a] Data for this variable are available only for clients who responded to the follow-up interview.

Persons who attended orientation were much more likely to find work on their own, a finding which lends support to the notion that clients who attend orientation may be more highly motivated.

Table V.8 presents the results of a probit analysis of the probability of clients attending orientation. In Oakland County Blacks had a 9 percent greater probability of attending orientation than whites, persons with a handicap also had a 9 percent greater probability of attending, persons with eight or fewer years of education had a 14 percent greater probability of attending (compared to people with a high school education), as did clients who were 22-25 years old. Those who were WIN certified were 15 percent more likely to attend than others, and persons who had been on assistance more than a year had a 6 percent greater probability of attending orientation. In Wayne County, Blacks had a 15 percent greater probability of attending than whites, persons without a handicap were 19 percent more likely to attend, and persons on assistance more than a year were 13 percent more likely to attend. Clients who were 41-50 years old had a greater probability of attendance compared to other age groups, and those who were WIN certified were 30 percent more likely to attend. The education variables were not significant. These results are somewhat puzzling because they suggest that many of the clients who attended orientation were relatively less employable in terms of conventional measures such as education level, time on assistance, age and the presence of a handicap. On the other hand, persons who were WIN certified were much more likely to attend than those who were only registrants. It will be recalled that persons who were certified had an 8 percent higher probability of becoming employed. This lends support to the notion advanced earlier that unmeasurable

TABLE V.8

PROBIT ANALYSIS OF EXPERIMENTAL CLIENTS ATTENDING ORIENTATION

	Oakland County		Wayne County	
Independent Variable	Change in Probability from Independent Variable[a]	t Statistic	Change in Probability from Independent Variable	t Statistic
Constant	+0.228	2.819*	+0.010	0.102
Male (=1 if male; =0 if female)	+0.003	0.087	+0.112	1.468
White (=1 if client is white; =0 if Black or other)	-0.087	2.622*	-0.148	3.335*
Handicap (=1 if client has mental or physical handicap; =0 otherwise)	+0.094	2.162*	-0.192	2.939*
Education Level I (=1 if highest grade completed is 9-11, =0 otherwise)	-0.065	1.380	+0.006	0.072
Education Level II (=1 if client has high school diploma; =0 otherwise)	-0.145	2.995*	-0.042	-0.507
Work Experience (=1 if client has previous work experience, =0 otherwise)	-0.011	0.331	-0.052	1.291
Age Under 18 (=1 if age under 18, =0 otherwise)	-0.131	1.173	-0.010	0.048
Age 18 - 21	-0.057	1.104	-0.003	0.037
Age 22 - 25	-0.141	2.215*	-0.014	0.197
Age 31 - 40	-0.032	0.789	+0.072	1.618
Age 41 - 50	-0.014	0.283	+0.095	1.682*
Age over 50	-0.068	1.012	+0.161	1.406
Recent Opening (=1 if MDSS case was opened in year prior to program entry; =0 otherwise)	-0.061	2.111*	-0.124	2.354*
Mandatory (=1 if client is mandatory WIN registrant; =0 if otherwise)	-0.075	1.346	-0.040	0.920
Certified (=0 if client is registrant only; =1 if WIN certified)	+0.154	3.751*	0.305	4.981*
Sample Size[b]	1,356		903	

NOTE: Asterisk indicates estimated change in probability is statistically different from zero at the 90% level using a two-tailed test.

[a] All changes in probabilities are evaluated at the mean probability for the sample.

[b] Observations with missing data were not included in estimating the equations.

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subjective factors play an important role in employment outcomes. It is these subjective measures that might be perceived by a WIN worker in a face-to-face employability evaluation.[1]

C. CLIENT REFERRAL TO PEAs

A second point at which some clients dropped out of the PEA program without being placed occurred while the client was waiting to be referred to a PEA after having attended an orientation session. In Oakland, 38 percent of the experimental sample, and in Wayne, 33 percent, were actually referred to a PEA. While failure to attend orientation was by far the most important reason clients were not referred, two additional factors were also important: medical problems and the fact that some clients were already employed. In Oakland County, medical problems were cited as a reason for not making a referral in 18 percent of the cases; in Wayne County the comparable figure was 15 percent. "Client already employed" was listed as a reason for nonreferral in 26 percent of the Oakland cases and 12 percent of the cases in Wayne County. Lack of transportation, unavailability of adequate child care, and home care responsibilities were listed as reasons for not making a referral in smaller numbers of cases (less than 5 percent).

The criteria used to determine to which PEA a client should be referred differed in the two counties. In Oakland County, the project staff indicated that proximity of the PEA to the client's place of residence was the single most important determinant of PEA selection. That reason was cited in 74 percent of the referrals. In 19 percent of the cases, an agency counselling program was listed as a reason. In contrast, in Wayne County, where public transportation is more widely available, geographical proximity was cited as a reason for referral in only 9 percent of the cases. In Wayne, no specific reason for referral was indicated in 43 percent of the cases, suggesting that the project staff tended to rotate referrals among PEAs. Multiple reasons were cited in the remaining cases, the most important being an agency's success in working with clients of a given educational level (cited in 40 percent of the cases), an agency's success in working with clients with particular work experience (28 percent of the cases) and an agency's success in working with clients of a specific race (19 percent of the cases).

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[1] Other more or less objective measures such as neatness and appearance were not collected.

In general, clients were assigned to only one agency, although 18 percent of the clients referred in each county were referred to a second agency (and, in a very small number of cases, a third agency). The project staff felt that, in most cases, if the first referral did not result in a placement, the same factors that prevented the first PEA from being successful with the client would, in all likelihood, limit the success for other PEAs as well.

A total of ten PEAs participated at one time or another in the Oakland County project. However, because of transportation difficulties and the perception of project staff regarding which agencies were most successful, referrals were concentrated in a small number of them--57 percent of the referrals were made to two agencies. The four agencies with the greatest number of referrals accounted for 81 percent of the total.

In Wayne County, 11 PEAs participated in the project, although three of them participated for only a brief period and received only one referral each. Forty-five percent of the total referrals were made to one agency. The three agencies with the largest number of referrals accounted for 78 percent of the total. This concentration of referrals in Wayne County reflected the judgments of the project staff as to which agencies were likely to be most successful.

The PEAs operate as job brokers by developing information on job vacancies with their employer clients, referring eligible applicants, and collecting a fee based on a percentage of the annual gross earnings of the job. The project staff observed that locally owned agencies tended to be more flexible with respect to fee payment policies than agencies owned by national firms. This may be of interest to anyone considering a similar project.

Most PEAs operate by establishing and maintaining long-term relationships with employers. Repeat business is an important factor in a successful operation. In this context, PEAs are interested in preserving their established client relationships and tend to be conservative in their job referrals. While this is a reasonable and acceptable business practice, it does suggest that most ADC clients, given their low education and skill levels and limited prior work experience, are not good candidates for most PEAs because they are generally only suited for low skill entry level jobs. This type of job is typically not filled by PEAs because few employers are willing to pay a fee for low level entry positions and the potential employee usually does not have the resources to pay the fee on his or her own. In short, in their regular day-to-day business most PEAs do not provide services appropriate for the majority of ADC type clients or the type of jobs most ADC clients are initially suited for. It should be emphasized that these are general statements and apply in a context where large numbers of ADC clients with a minimal amount of prescreening are sent to PEAs. As the data in the next section show, a substantial number of ADC clients actually referred to jobs by PEAs did become employed. The difficulty was that the PEA screening combined with an apparent lack of interest on the part of many clients resulted in relatively few clients being referred for a job interview.

D. CLIENT INTERVIEW AND JOB SEARCH EXPERIENCE

The interview and job search experience of clients can provide additional insight into how the project functioned. Of particular interest is the number of referrals to jobs made by PEAs and the number of job offers received and accepted. Table V.9 summarizes the flow of PEA clients through the entire PEA process, from orientation to acceptance of a job offer. In both counties, less than half the clients came to orientation. Most of them (83 percent in Oakland, 76 percent in Wayne) were subsequently referred to a PEA. Many of the clients referred to PEAs did not respond to PEA requests to come for interviews. Others were not considered by the PEAs to be ready for job referral. Of those clients referred to a PEA, 26 percent in Oakland County and 33 percent in Wayne County were referred by the PEA to a job interview. Of them, 84 percent in Oakland and 63 percent in Wayne actually went to the job interview. In Oakland, in a surprisingly high percentage of cases (62 percent), the job interviews resulted in job offers, compared to 38 percent in Wayne County. In both counties, 70 percent of those offered a job accepted it. The most frequently cited reasons among Oakland County clients for refusing a job offer were lack of transportation, pay too low, lack of necessary skills, and lack of adequate child care. (Similar data for Wayne County are not meaningful because of the small number of responses.)

TABLE V.9

REFERRAL AND JOB INTERVIEW EXPERIENCE OF PEA CLIENTS

	Oakland County PEA		Wayne County PEA	
	Percentage of Preceding Category	Percentage of all Clients	Percentage of Preceding Category	Percentage of all Clients
Total	100%	100%	100%	100%
Came to orientation	46	46	43	43
Referred to PEA	83	38	76	33
Referred by PEA to job interview	26	10	33	11
Went to job interview	84	8	63	7
Offered a job	62	5	38	3
Accepted job	70	4	70	2

The table illustrates the sharp decrease in active project participants as the referral and job search process proceeded. In both counties, only about 10 percent of all PEA clients were actually referred to a job interview. Only 5 percent of PEA clients in Oakland, and 3 percent in Wayne were actually offered a job. This again points out the importance of client motivation and attitude in an unemployment assistance program. While 36 percent of the people who were referred to job interviews became employed as a result, the relatively low proportion of people actually referred by PEAs to job interviews (about 10 percent) also supports the conclusion that most ADC clients cannot be well served by PEAs.

The job search methods reported by clients in the periodic interview are also interesting (see Table V.10). With the exception of direct PEA placement, use of personal sources such as friends, neighbors, and relatives was the job search method most frequently cited by people who found a job. In Oakland County, 46 percent of PEA clients who found a job on their own, 27 percent of direct ET/EM placements, and 41 percent of ET/EM clients who found a job on their own reported using personal sources. In Wayne County, 51 percent of the PEA self-placements and 42 percent of the controls also used this method. Interestingly, individuals placed directly by ET/EM in Oakland County more often reported using personal sources than referrals by the ET/EM worker. This probably reflects the emphasis the ET/EM program places on counseling clients about how to search for jobs on their own.

E. CLIENT ATTITUDES TOWARD PROGRAM

Additional information with which to assess the PEA programs in the two counties and the ET/EM program in Oakland County can be gained by

TABLE V.10

PERCENTAGE DISTRIBUTION OF SUCCESSFUL JOB SEARCH ACTIVITY

	Oakland				Wayne		
Job	Experimental		ET/EM		Experimental		Control
Search Method	PEA Placement	Self Placement	ET/EM Placement	Self Placement	PEA Placement	Self Placement	Self Placement
Referred by PEA or ET/EM	88	2	23	5	N.A.	3	0
Friends, neighbors, relatives	3	46	27	41	N.A.	51	42
Ad	3	16	20	16	N.A.	10	12
Professional contacts, union	--	3	3	3	N.A.	11	14
Other	6	33	27	35	N.A.	25	32

NOTE: N.A. = Not available for PEA placement in Wayne.
Percentages may not add to 100 due to rounding.

examining client attitudes toward the program. Table V.11 summarizes client responses to a question asking them to rate the program in which they participated on a four-point scale, ranging from very effective to not at all effective.[1/] As shown in the table, the clients who were placed by the Oakland County PEA program tended to rate it very highly, with more than half describing it as very effective and another quarter rating it fairly effective. On the other hand, Oakland County PEA clients who were not placed were considerably less enthusiastic about the program, with only 11 percent rating it very effective and with substantial numbers of clients either viewing it as not effective or having no opinion.

Interestingly, the pattern of client responses with regard to the ET/EM program in Oakland County is quite different. Even those clients who were recorded as ET/EM placements were, as a group, much less likely to describe the program as effective than were the placed PEA clients. Furthermore, the overall patterns of responses by ET/EM program recipients are quite similar for placed as compared to not-placed clients. These results suggest that, unlike the PEA clients, many of the ET/EM clients who were recorded as program placements may not have perceived themselves to have been significantly helped by the program in finding their jobs.

In Wayne County as in Oakland County, the PEA clients placed by the program tended to rate it relatively highly, with more than 80 percent of the sample rating it as either very effective or fairly effective. The split between these two categories was somewhat different, however, with

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[1/] Only clients who were assigned to a PEA or to an ET/EM worker were included in the tabulations in this section. Other clients were excluded on the grounds that they had not had an opportunity to develop informed opinions concerning the program.

TABLE V.11

CLIENT ATTITUDES TOWARD PROGRAMS

	Oakland County				Wayne County	
	PEA		ET/EM		PEA	
	Placed	Not Placed	Placed	Not Placed	Placed	Not Placed
Very effective	53%	11%	20%	21%	18%	16%
Fairly effective	28	16	26	21	64	28
Not too effective	10	15	15	13	18	26
Not at all effective	5	20	12	10	0	20
No opinion	5	38	28	34	0	11

NOTE: Percentages may not add to 100 due to rounding.

the Wayne County clients tending more than those in Oakland County to choose the second highest rather than the highest effectiveness rating. Among clients who were not placed in Wayne County, 44 percent rated the program as at least fairly effective, 46 percent rated it as not effective, and the remainder had no opinion.

Clients were also asked whether they thought the programs in which they had participated should be continued without changes, continued with changes, or ended. As shown in Table V.12, in Oakland County the responses to this question followed patterns similar to those discussed above with regard to the overall program rating question. Oakland County PEA clients who were placed tended to be more likely to recommend continuing the program without change than were such clients who were not placed. Among Oakland County ET/EM clients, on the other hand, clients who were placed were less favorable in their recommendations than the non-placed group. In Wayne County, the pattern of responses was different. As many PEA clients who were placed as those who were not placed reported the program should be continued without changes; although more of the clients who were placed compared to those who were not placed thought the program should be continued with changes.

TABLE V.12

CLIENT RECOMMENDATION CONCERNING PROGRAM

	Oakland County				Wayne County	
	PEA		ET/EM		PEA	
Program Should be	Placed	Not Placed	Placed	Not Placed	Placed	Not Placed
Continued without change	58%	31%	37%	46%	27%	29%
Continued with changes	38	30	40	29	73	57
Ended	2	5	2	2	0	3
No opinion	2	34	22	22	0	11

NOTE: Percentages may not add to 100 due to rounding.

VI. COSTS OF PEA AND ET/EM PROGRAMS

In evaluating the PEA experiment it is important to consider the costs as well as the benefits provided to participants in the PEA and ET/EM programs. This section draws upon the MDSS data used to develop estimates of the cost per client for these programs.

A. PEA PROGRAM COSTS

In evaluating the PEA experiment, it is important, when estimating costs, to distinguish between costs associated with running an established PEA program and costs associated with setting up the program on an experimental basis and conducting the evaluation. Only the former set of costs is included in the analysis below because development and evaluation costs would not have to be repeated if the PEA approach was adopted as standard MDSS policy.

The costs of the PEA program that will be considered can be divided into two groups: internal MDSS costs associated directly with administering the program, and placement fees paid to the PEAs.[1/] Table VI.1 itemizes

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[1/] In principle, a third cost category should be considered in the analysis--MDSS services such as day care, housing, or health screening to which clients participating in the program were sometimes referred by the program staff members. Such costs cannot be included, however, because complete information about service referrals is unavailable. It should be recognized, therefore, that the cost estimates presented in the text may be somewhat lower than those actually incurred. However, this potential bias in the analysis is at least partially mitigated by the fact that many such services presumably provided direct benefits to clients over and above the indirect benefits associated with helping them find jobs in connection with the PEA program. (For instance, medical screening has inherent value in addition to possibly helping correct medical problems that prevent job placement.) Because such potential direct benefits from these services cannot, because of inadequate data, be included in the benefit estimates presented in Chapter IV, the calculations in this report may tend to understate both the benefits and costs of program participation, and these two factors at least in part cancel one another out. In any event, it is unlikely that these are large biases because service referral was relatively infrequent.

TABLE VI.1

MONTHLY ADMINISTRATIVE COST OF EXPERIMENTAL PEA PROGRAM

	Oakland County	Wayne County
Salaries	$ 1,160	$ 2,731
Overhead on salaries	273	642
Office space and related costs	84	127
Miscellaneous equipment, supplies, travel, and services	154	351
Total cost per month	$ 1,671	$ 3,851

the costs that fall into the first of these categories.[1] For Oakland County, most of the personnel costs shown in the table are allocable to the salaries of the project monitor and the project secretary. In Wayne County, the cost estimates included salaries of two professional social workers assigned to the project and three support personnel. In general, these persons devoted most of their time to the PEA project, although the cost data shown in the table reflect only that portion of their time spent directly on project operations (rather than in developing data for the evaluation). In the monthly cost estimations shown in Table VI.1, the cost of capital equipment, such as typewriters and furniture, was amortized over a ten-year expected lifetime at an interest rate of 8 percent.

As shown in the table, personnel costs accounted for the bulk of the project costs, with monthly salaries and associated overhead amounting to more than $1,400 in Oakland County and $3,300 in Wayne County. Overall, total administrative costs were approximately $1,671 per month in Oakland County and $3,851 per month in Wayne County. The project lasted for approximately 29 months in Oakland County, and 1,405 clients entered the program. Multiplying the total months of operation by the monthly administrative cost estimate described above and dividing by the number of clients yields an administrative cost estimate of approximately $34 per client. Similarly, in Wayne County, 1,188 clients entered the program over 12 months, implying a per-client cost of $39.

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[1] In order to closely approximate true long-run operating costs, the estimates in the table are based on operating costs during the final year of the project, because by this time the most experience had been accumulated with regard to running the program most efficiently. Because the Oakland County component of the experiment had been in operation approximately two-and-one-half years, its operating costs were deflated by 10 percent to compensate for inflation and obtain average cost estimates over the life of the experiment. Wayne County costs were not deflated, because the program there was only undertaken during the final year of the overall project.

PEA fees are the second cost category for the experimental population. Table VI.2 presents a frequency distribution of the fees paid. A significant number of placements did not result in any fee being paid, reflecting the fact that several of the PEA placements terminated almost immediately after the job was found. Thirty-six percent of the fees paid in Oakland County and 21 percent of those in Wayne County were in the $201 to $400 category. This includes entry-level jobs for which a full fee was paid and some higher paying jobs for which only a partial fee was paid because of early termination. Relatively few jobs (13 percent in Oakland County and 21 percent in Wayne County) were sufficiently high-paying and long-lasting to result in PEA fees in excess of $600. The average PEA fee per placement was $341 in Oakland County and $385 in Wayne County.

Because of the relatively low placement rate, PEA fees averaged over all clients who participated in the program were relatively low, amounting to approximately $13 in Oakland County and $8 in Wayne County. These calculations, together with the average estimated administrative costs discussed earlier, result in an average per-client cost of $47 in both Oakland and Wayne Counties.

The above figures can also be used to compute costs of the PEA program per job placement. This figure is $1,222 for Oakland County and $2,310 for Wayne County.

TABLE VI.2

PEA FEES PAID

FOR PROGRAM PLACEMENT

	Percentage of All Fees	
	Oakland County	Wayne County
0	13%	12%
1 - 200	16	17
201 - 400	36	21
401 - 600	22	29
Greater than 600	13	21
Average Fee:[a]	$341	$385

[a] Averages include placements with 0 fee.

B. ET/EM PROGRAM COSTS

Cost calculations for the ET/EM program similar to those presented above are shown in Table VI.3.[1] The bulk of the personnel costs are allocated for the salaries of the two ET/EM workers involved in the program. All costs have been computed using methods comparable to those used for Table VI.2 with regard to the PEA program in Oakland County.

The ET/EM experimental program was in operation approximately 27 months and involved 906 clients.[2] These figures, together with the monthly cost figure shown in Table VI.3, imply a $133 cost per client for administrative and worker expenses in the ET/EM program. On a per-placement basis, the estimated cost is $1,160 per direct placement recorded by the ET/EM program.

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[1] As with the PEA program, cost estimates for the ET/EM program are somewhat understated because information on service referrals was unavailable.

[2] The 27 months of operation assumed reflects (a) the program being several weeks late in getting underway at one of the two ET/EM sites and (b) a period at one site when the program was not operational because of vacant staff positions.

TABLE VI.3

MONTHLY ADMINISTRATIVE COST OF ET/EM PROGRAM

OAKLAND COUNTY

Salaries	$ 3,065
Overhead on salaries	692
Office space and related costs	221
Miscellaneous equipment, supplies, travel, and services	492
Total	$ 4,470

C. SUMMARY

Table VI.4 summarizes the costs of the experimental and control programs. On a per-client basis, the costs of the PEA programs in both counties were very similar, but on a per-placement basis the cost was considerably lower in Oakland County because of the more favorable placement rate achieved there. The total cost per client of the ET/EM program was almost three times that of the PEA program, but because of the greater ET/EM placement rate, the ET/EM cost per placement was lower than that of either PEA program.

TABLE VI.4

COSTS OF PROGRAM

	Oakland County		Wayne County	
	PEA	ET/EM	PEA	Control
Administrative cost per client	$34	$133	$39	N.A.
PEA fee cost per client	13	N.A.	8	N.A.
Total cost per client	47	133	47	N.A.
Administrative cost per placement	881	1,160	1,925	N.A.
PEA fee cost per placement	341	N.A.	385	N.A.
Total cost per placement	$1,222	$1,160	$2,310	N.A.

NOTE: N.A. = Not applicable.

VII. COST EFFECTIVENESS OF PEA PROGRAM

A key question the experiment was designed to address is whether the PEA program is a cost-effective substitute for existing MDSS programs as a means of reducing ADC grant payments. This chapter uses information on grant reductions achieved through June 30, 1979 to examine this question. Considering only grant reductions accruing prior to this date may somewhat understate program benefits because some of the clients placed during the experiment are still working. However, in view of the relatively small number of placements achieved, it is not possible accurately to estimate overall lengths of these jobs. Furthermore, the potential biases from underestimating benefits in this way are at least partially offset by the fact that it can reasonably be assumed that some clients who were placed would ultimately have found jobs on their own. Thus, the grant reductions attributed to the PEA and ET/EM programs for this analysis do not necessarily extend as far in time as the jobs that resulted directly from the programs.

As with the analysis of program benefits in Chapter IV, the results of the cost-effectiveness calculations differ considerably depending upon whether only jobs recorded as program placements are considered or whether jobs found by the clients on their own are also included in the analysis. Section A below presents cost-effectiveness calculations based on jobs recorded as program placements, and Section B focuses on all jobs found by clients. Section C summarizes and discusses the basic conclusions of the analysis, and Section D outlines some policy implications of the results.

A. COST-EFFECTIVENESS ANALYSIS BASED ONLY ON PROGRAM PLACEMENTS

Table IV.19 shows that as of June 30, 1979 the MDSS grant reduction from job placements averaged over all PEA clients entering the program is estimated to be $69 in Oakland County, while the comparable figure for the ET/EM program is $257. (As noted in earlier chapters, it is important to keep in mind that these numbers may not be directly comparable, because the ET/EM estimate may include reductions from jobs which clients found on their own.) Thus, the difference in estimated benefits per client is $188. In Chapter VI, the costs of the ET/EM program were estimated to be $86 higher per client than the costs of the PEA program. Combined, these benefit and cost estimates imply that in Oakland County the ET/EM program is the more cost efficient of the two, with the net benefits (subtracting out cost differences) of providing a client with PEA rather than ET/EM services being negative and amounting to $86 minus $188, or -$102 (see Table VII.1). To be sure, it should be noted that the $188 benefit estimate is subject to considerable sampling error. However, an approximate 90 percent confidence interval around the $188 estimate extends between $253 and $123.[1/] Thus, even after allowing for sampling error, the estimated difference in benefits is greater than the difference in costs under these calculations.

[1/] The sampling variance of the estimated mean grant reduction for PEA clients in Table IV.19 is approximately $208. The comparable figure for the ET/EM program is $1,328. Therefore, the variance of the difference of the two means is $1,536, and the standard deviation of this difference is approximately 39. Multiplying this figure by 1.65 gives an estimated 90 percent confidence interval around the difference in estimated benefits of the two programs of plus or minus 65.

TABLE VII.1

COST EFFECTIVENESS OF PEA PROGRAM RELATIVE TO CONTROL PROGRAM

	Oakland County (Based on 29 Months of Data)		Wayne County (Based on 12 Months of Data)	
	Includes Only Grant Reductions from Direct Placements	Includes Grant Reductions from Direct Placements and Jobs Found on Own	Includes Only Grant Reductions from Direct Placements	Includes Grant Reductions from Direct Placements and Jobs Found on Own
1. Difference in grant reductions per client (PEA-control)	-188	-44	11	2
2. Difference in costs per client (PEA-control)	-86	-86	47	47
3. Net benefit of PEA program (Row 1 - Row 2)	-102	42	-36	-45

In Wayne County, ET/EM services were not available to the pool of clients from which the experimental sample was drawn. Therefore, when only direct placements are considered the cost effectiveness analysis of the program for this county involves assessing whether the grant reductions attributable to the program exceeded the program costs. As shown in Table IV.19, estimated grant reductions from direct PEA placements in Wayne County averaged $11 per client participating in the program. Comparing this figure with the estimated program cost per client of $47 (calculated in Chapter VI) leads to the conclusion that the PEA program was not cost effective in Wayne County. A 90 percent confidence interval for the grant reduction estimate in this case extends between $6 and $16. Thus, the estimated negative net benefits from the program are statistically significantly different from zero.

B. COST-EFFECTIVENESS ANALYSIS BASED ON PROGRAM PLACEMENTS AND JOBS FOUND BY CLIENTS ON THEIR OWN

Quite different conclusions emerge if total grant reductions from both program placements and jobs found by clients on their own are considered. As shown in Table IV.19, in Oakland County estimated total grant reductions as of June 30, 1979 for all jobs is $738 for clients in the PEA program, while the comparable figure for the ET/EM clients is $782. Thus, when both grant reductions and the $86 of differential cost are considered, the PEA program would appear to be the more cost effective of the two, leading to net savings of $42 (see Table VII.1). It should be noted, however, that the $44 difference in grant reductions calculated above is subject to considerable sampling error and the net benefit estimate is therefore not statistically significantly different from zero.[1/] Thus, it can be concluded that the net benefits of the PEA program are relatively small and are not significantly different from zero.

In Wayne County the estimated difference in grant reduction per client when all jobs are considered is $2. This, combined with the estimated cost figure of $47 per client implies a net negative program benefit of -$45 (i.e., $2 minus $47). This negative net benefit estimate is significantly different from zero.

C. CONCLUSIONS

The above analysis suggests that the PEA program was not significantly cost effective. As discussed in Section A, in Oakland County a significantly negative cost effectiveness estimate is calculated for the PEA as compared to the ET/EM program if jobs found only through recorded program placements are considered. However, from a policymaking point of view the relevant consideration would appear to be the overall changes in earnings and grants experienced by clients in one program as opposed to the other, and not just changes in earnings and grants associated with recorded program placements. With regard to this criterion, no significant positive cost effectiveness benefits of the PEA program were found in either county. In fact, in Wayne County the negative net benefits result was statistically significant.

[1/] Sampling variation for the net benefits from all jobs has been calculated using procedures analogous to those described above with regard to jobs found through program placement. The sampling error for the net benefits calculated in this section is considerably greater than that calculated in Section A, both because the mean and variance of grant reductions for all jobs are greater than those associated with jobs found only through placement and also because the sample of clients for which follow-up interview information on jobs found on own was available is smaller than the sample for which program placement data were available.

In assessing these cost effectiveness results, it should be emphasized that low placement rates are the primary reason why the PEA program was not cost effective in either of the counties. Table IV.17 shows that many of the PEA placements resulted in substantial grant reductions, and these were generally well in excess of the placement fees and MDSS administrative costs of making the placements. A key reason for the lack of cost effectiveness, therefore, is that administrative costs were also incurred for very substantial numbers of PEA program participants who were not placed in jobs, and these costs must also be included in the overall cost effectiveness calculations.

These issues are illustrated graphically in Figures VII.1 and VII.2, which show frequency distributions of months of job retention for Oakland and Wayne Counties. On the horizontal axis in each figure, a line indicates the "breakeven" job duration time at which the reduction in grant payments for a typical entry level job could be expected to exceed the placement fee and administrative costs directly attributable to the placement.[1/] As shown in the figures, these breakeven points occur quite soon--less than three months after a job is obtained. Because the majority of the recorded placements lasted more than two months and many lasted much longer, the figures show that the PEA program was cost effective when only costs attributable to the actual placements are considered. Thus, the overall lack of cost effectiveness is attributable to the low rates of job placement rather than to the nature of the placements that were achieved.

[1/] Breakeven levels were calculated on the basis of the placement fee for a minimum wage ($2.90 per hour) job using the administrative cost per client data presented in Chapter VI. For simplicity, it was assumed that the entire PEA fee would be paid even for a relatively short duration job. Taking into account that the PEA fee is reduced if the job lasts less than three months would even further lower the calculated breakeven point. The monthly grant reduction was assumed to be $200.

Figure VII.1

PEA PLACEMENT JOB DURATION IN OAKLAND COUNTY

COMPARED TO "BREAKEVEN" JOB DURATION

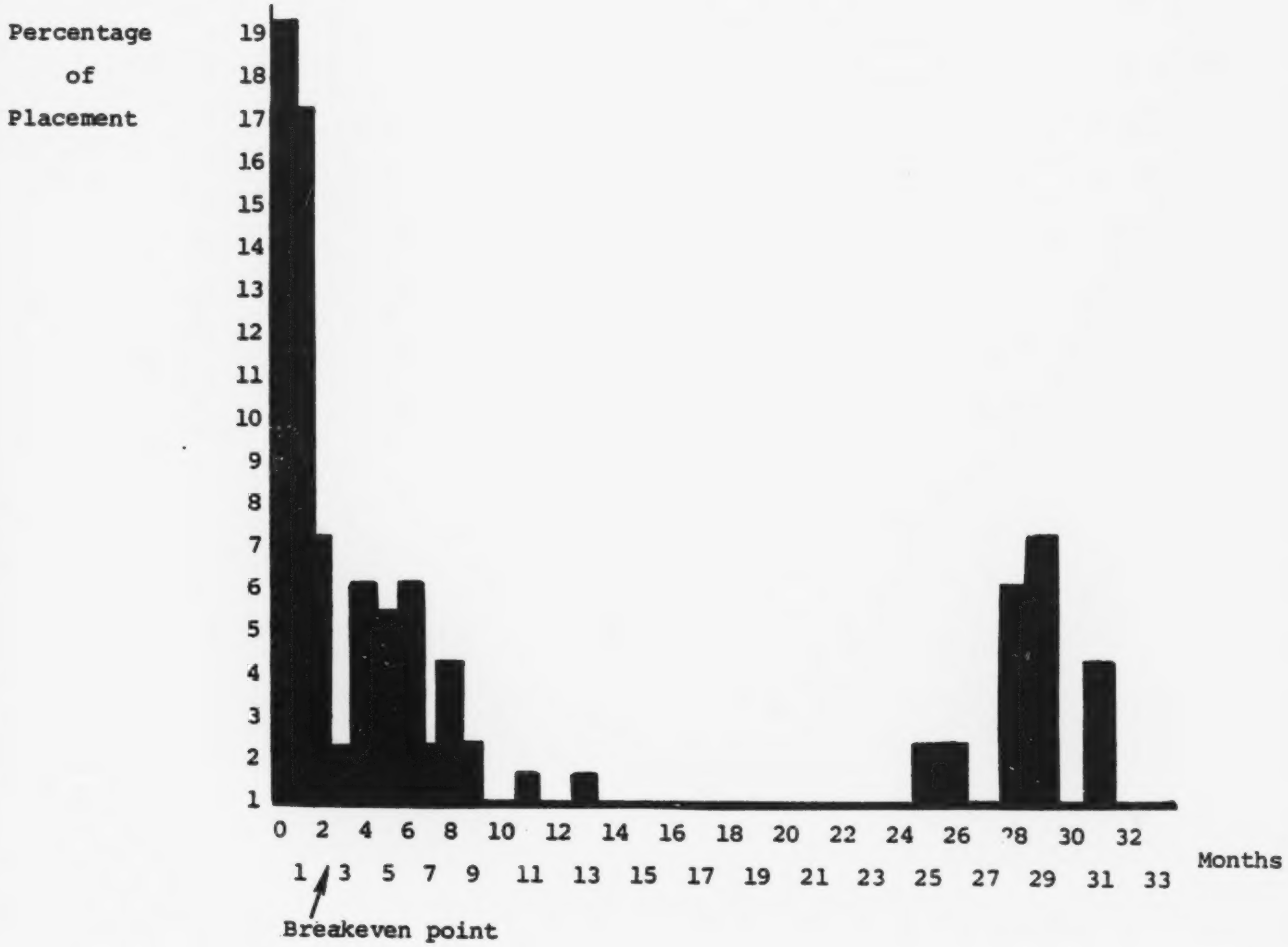

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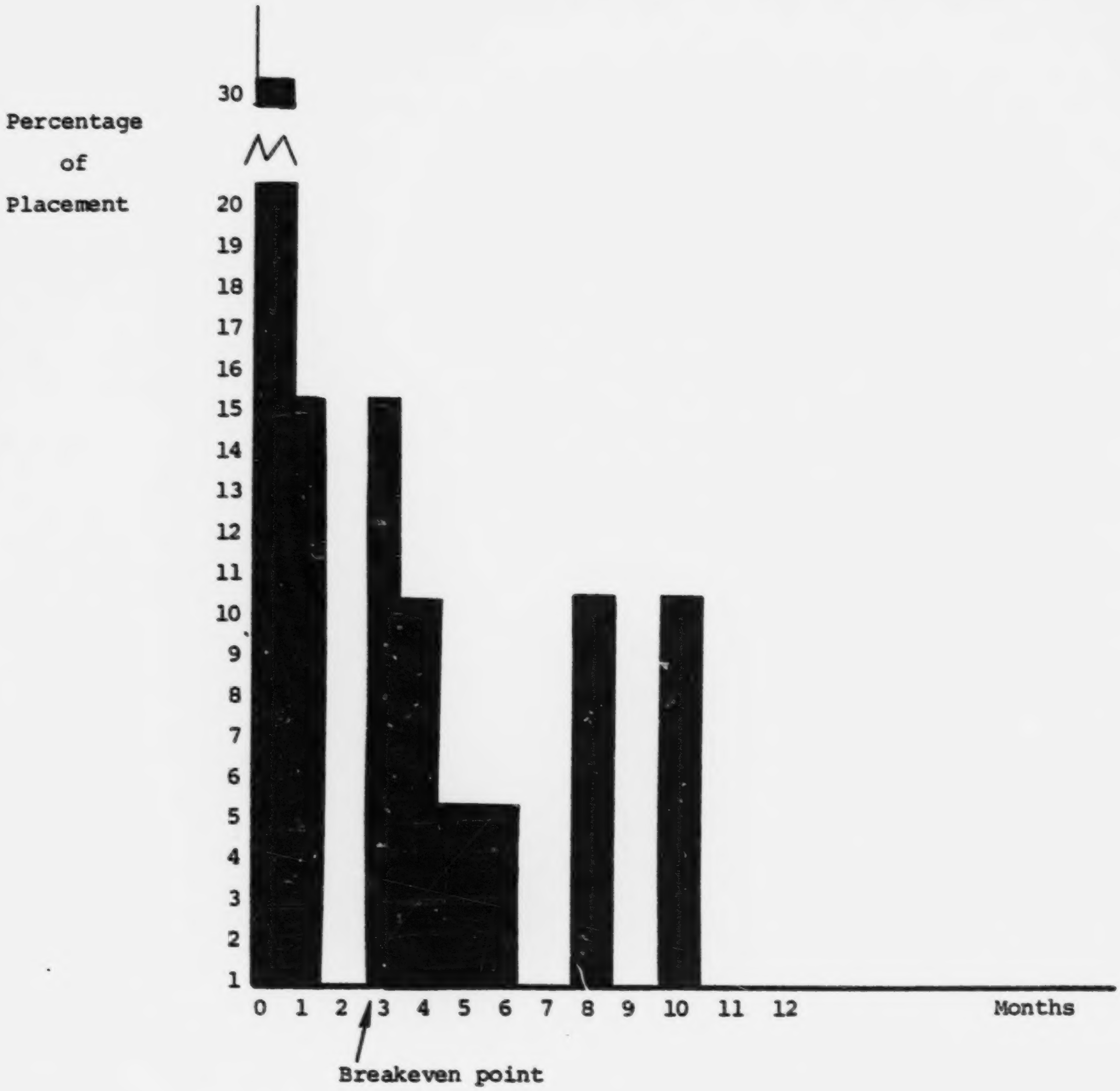
Figure VII.2

PEA PLACEMENT JOB DURATION IN WAYNE COUNTY
COMPARED TO "BREAKEVEN" JOB DURATION



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D. POLICY IMPLICATIONS

In concluding this chapter, it may be useful to briefly discuss the potential policy implications of the findings with regard to the use of PEAs in placing hard-to-employ public assistance clients in jobs. The findings of the evaluation strongly suggest that large scale use of PEAs as the principal vehicle for providing employment services to target populations similar to those in Michigan is not a cost effective policy. In particular, it appears that use of PEAs is not a substitute for careful case work on the part of employment service staff, and that the great majority of individuals in such client populations have barriers to employment which, if they can be overcome at all, require more services than PEAs are able to provide. Well over half the clients in the program did not even get as far as a PEA office for an interview. Furthermore, the administrative costs associated with using the PEA approach on a large scale, including arranging orientation programs and simply processing the files of a large number of clients, made the program very costly in relation to the benefits accruing from it.

While, strictly speaking, these results apply only to two specific counties in one state, we believe it very likely that similar results would be observed if the program were replicated in other parts of the country. The basic problem would remain--too many administrative resources would be spent dealing with clients whom the PEA approach could not help.

It is important to recognize, however, that these findings apply to only one specific approach. Nothing in the research findings rules out all possible ways of using PEAs to place public assistance clients. On the contrary, we believe the findings suggest potential benefits to developing programs that use PEAs in a considerably more limited way. This possibility is discussed below.

Although overall placement rates were disappointingly low, the results of the experiment do show that it is possible for welfare clients to be placed by PEAs. More than 75 clients were placed in jobs during the experiment, and many of these placements have proven to be successful and long-lasting. Furthermore, of the clients who were actually interviewed by a PEA and whom the PEAs referred to an employer, a relatively high proportion (approximately 36%) obtained jobs. In most cases the direct costs of the PEA fees could be recouped by the state in the form of grant payment reductions in less than three months.

These observations suggest that the use of PEAs to place welfare clients could be effective if an inexpensive means could be developed to screen clients, referring to PEAs only those clients who appeared to be most ready for job referral. Such screening, however, cannot be effective in the context of a program designed principally to accomplish this function, simply because the screening rate is too low--too many people must be screened to find an appropriate client. However, in other public employment counseling or case work programs, where similar screening is already taking place in other contexts, it is possible that the use of PEAs could be a valuable supplementary tool. Suppose, for instance, that a case worker is working with a well-motivated client who appears ready for work but no specific appropriate job listings are available. In such a case, referral to a PEA may be an efficient way to supplement the available public resources. Given the nature of the client population, such cases may be relatively uncommon--the fact that they are uncommon is the reason why the large scale use of PEAs did not prove cost effective. Nevertheless, such cases do exist, and having PEAs available as an option is one way of using them while avoiding the administrative costs of dealing with large numbers of clients for whom PEAs are not useful. We believe, therefore, that the development of the administrative mechanisms to facilitate this limited use of PEA services would be a desirable policy.

APPENDIX A

DATA COLLECTION INSTRUMENTS

This appendix presents the eight data collection instruments developed by MPR to implement data collection plans. The following forms are included:

1. Client Work History and Personal Characteristics[1]
2. Supplemental Client History
3. Employment Agency Referral Form
4. Referral Disposition Form
5. Follow-Up Interview
6. Program Participation and Job Placement Form
7. Characteristics of Private Employment Agencies

---

[1] It should be noted with regard to the Client Work History and Personal Characteristics Form that the questions have been designed to be as compatible as possible with the existing state records from which these data are taken. The questions on the form, therefore, are not necessarily exactly those that would have been used if the data were being collected directly from the clients.

CLIENT WORK HISTORY AND PERSONAL CHARACTERISTICS

CLIENT NAME: ______________________

ADDRESS: ______________ / ______________
STREET CITY

12-20 DSS CASE NUMBER: ⎣_⎸_⎸_⎸_⎸_⎸_⎸_⎸_⎸_⎦

PHONE NUMBER: ______________ 12-20

INSTRUCTIONS:

A. COMPLETE THIS FORM FOR EVERY CLIENT ASSIGNED TO A PEA OR E&T WORKER IN THE PEA-1115 PROJECT.

B. THE INFORMATION NEEDED TO COMPLETE THIS FORM COMES FROM THE MESC-2511, THE CLIENT INFORMATION SYSTEM COMPUTER READOUT AND DSS RECORDS. THIS FORM IS DIVIDED INTO 3 PARTS, EACH PART CORRESPONDING TO THE FORM THE INFORMATION IS EXTRACTED FROM. THE LOCATION OF SPECIFIC ITEMS TAKEN FROM THOSE FORMS IS IN PARENTHESES.

C. ANSWER EACH QUESTION UNLESS THERE IS AN INSTRUCTION TO SKIP OVER IT BECAUSE IT DOES NOT APPLY TO THE CLIENT. IN THAT CASE, GO TO THE NEXT ITEM YOU ARE DIRECTED TO.

D. IF THE INFORMATION IS NOT AVAILABLE FOR A SPECIFIC ITEM, WRITE "MISSING" AND GO ON TO THE NEXT ITEM.

E. THIS FORM HAS 2 PAGES.

SECTION A: COMPLETE THIS SECTION BY TRANSCRIBING INFORMATION RECORDED ON THE MESC-2511 TO THIS FORM.

21-22 1. WHAT KIND OF JOB DOES CLIENT WANT? (FIRST ITEM IN WORK HISTORY.)

____

______________________ ⎣_⎸_⎦

23-24 2. DID THE CLIENT REPORT A JOB IN WORK HISTORY?

1 ☐ YES ——→ CHECK THIS BOX AND GO TO Q.3

0 ☐ NO ——→ CHECK THIS BOX AND GO TO Q.15 ON THE SECOND PAGE

3. RECORD THE DESCRIPTION OF THE CLIENT'S LAST OR CURRENT JOB. (REFER TO START AND END DATES OF JOBS REPORTED IN THE WORK HISTORY.)

____

____

____

____

25-26 4. RECORD THE OCCUPATIONAL TITLE AND THE FIRST TWO DIGITS ON THE LEFT OF THE DOT CODE FOR THIS JOB. (ITEMS 19 AND 21)

______________________ ⎣_⎸_⎦

27-32 5. RECORD THE START DATE OF THIS JOB: ⎣_⎸_⎸_⎸_⎸_⎸_⎦ MO DA YR

33-38 6. RECORD THE END DATE OF THIS JOB OR CHECK STILL WORKING: ⎣_⎸_⎸_⎸_⎸_⎸_⎦ MO DA YR

999999 ☐ STILL WORKING

39-40 7. RECORD THE NUMBER OF MONTHS WORKED ON THIS JOB: ⎣_⎸_⎦

8. RECORD THE RATE OF PAY FOR THIS JOB:

41-47 $⎣_⎸_⎦,⎣_⎸_⎸_⎦.⎣_⎸_⎦
RATE OF PAY

1 ☐ PER HOUR

2 ☐ PER DAY

3 ☐ PER WEEK

48-49 4 ☐ PER MONTH

5 ☐ PER YEAR

99 ☐ PER OTHER ______________

9. DID THE CLIENT REPORT ANOTHER JOB THAT ENDED IN THE LAST THREE YEARS THAT WAS LONGER THAN THE JOB RECORDED IN Q.2? (REFER TO START AND END DATES OF OTHER JOBS IN WORK HISTORY.) 50-51

1 ☐ YES ——→ CHECK THIS BOX AND GO TO Q.10

0 ☐ NO ——→ CHECK THIS BOX AND GO TO Q.15 ON THE SECOND PAGE

10. RECORD THE DESCRIPTION OF THAT JOB BELOW.

____

____

______________________ ⎣_⎸_⎦ 52-53

11. RECORD THE START DATE OF THIS JOB: ⎣_⎸_⎸_⎸_⎸_⎸_⎦ MO DA YR 54-59

12. RECORD THE END DATE OF THIS JOB: ⎣_⎸_⎸_⎸_⎸_⎸_⎦ MO DA YR 60-65

13. RECORD THE NUMBER OF MONTHS WORKED ON THIS JOB: ⎣_⎸_⎦ 66-67

14. RECORD THE RATE OF PAY FOR THIS JOB:

$⎣_⎸_⎦,⎣_⎸_⎸_⎦.⎣_⎸_⎦

1 ☐ PER HOUR 68-74

2 ☐ PER DAY

3 ☐ PER WEEK

4 ☐ PER MONTH

5 ☐ PER YEAR 75-76

99 ☐ PER OTHER ______________

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CLIENT WORK HISTORY AND PERSONAL CHARACTERISTICS

CONTINUATION OF SECTION A (From MESC-2511)

15. HANDICAP (ITEM 4)
- 00 ☐ NONE
- 1 ☐ PHYSICAL
- 2 ☐ MENTALLY RETARDED
- 3 ☐ MENTALLY RESTORED

77-78

16. SEX (ITEM 9)
- 1 ☐ MALE
- 0 ☐ FEMALE

79-80

17. DATE OF BIRTH (ITEM 10)

MO DA YR

81-86

18. MARITAL STATUS (ITEM 11)
- 1 ☐ MARRIED
- 2 ☐ SINGLE
- 99 ☐ OTHER

87-88

19. HIGHEST GRADE COMPLETED (ITEM 12)

89-90

20. CHECK ALL DEGREES RECEIVED (REFER TO COLUMN IN ITEM 12 HEADED "DEGREE OR CERT.")
- 1 ☐ HIGH SCHOOL DIPLOMA OR GED
- 2 ☐ ASSOCIATE DEGREE (JUNIOR COLLEGE)
- 3 ☐ BACHELOR'S DEGREE
- 99 ☐ OTHER (Describe)____________
- 00 ☐ NONE RECEIVED

91-100

21. CHECK ALL OCCUPATIONAL AREAS IN WHICH VOCATIONAL TRAINING CERTIFICATES WERE RECEIVED. (REFER TO COLUMN IN ITEM 12 HEADED "DEGREE OR CERT.")
- 00 ☐ NONE RECEIVED
- 1 ☐ BUSINESS, OFFICE WORK
- 2 ☐ NURSING, OTHER HEALTH FIELDS
- 3 ☐ TRADES AND CRAFTS (mechanic, electrician, beautician, etc.)
- 4 ☐ ENGINEERING OR SCIENCE TECHNICIAN, DRAFTSMAN
- 5 ☐ AGRICULTURE OR HOME ECONOMICS
- 99 ☐ OTHER (Describe)____________

101-114

22. ETHNIC GROUP (ITEM 23)
- 1 ☐ WHITE
- 2 ☐ BLACK
- 3 ☐ AMERICAN INDIAN
- 4 ☐ NON-AMERICAN INDIAN
- 99 ☐ OTHER____________

115-116

23. SPANISH AMERICAN (ITEM 24)
- 1 ☐ YES
- 0 ☐ NO

117-118

24. VETERAN (ITEM 26)
- 1 ☐ YES
- 0 ☐ NO

119-120

25. WIN STATUS (ITEM 23)
- 1 ☐ MANDATORY
- 2 ☐ VOLUNTARY

121-122

SECTION B: COMPLETE THIS SECTION BY TRANSCRIBING INFORMATION FROM THE CLIENT INFORMATION SYSTEM COMPUTER READOUT TO THIS FORM.

26. CASE TYPE
- 1 ☐ ADC
- 2 ☐ ADC-U
- 3 ☐ YOUTH

123-124

27. ENROLLED IN FOOD STAMP PROGRAM
- 1 ☐ YES
- 0 ☐ NO

125-126

28. DATE A.P. CASE WAS LAST OPENED

MO DA YR

127-132

29. NUMBER OF PERSONS IN ASSISTANCE GROUP

133-134

30. BIRTHDATES OF CHILDREN (Record the birthdates of up to 6 children. If there are more than 6, record the 6 youngest.

1. MO DA YR
2. MO DA YR
3. MO DA YR
4. MO DA YR
5. MO DA YR
6. MO DA YR

135-170

31. GRANT INCOME AT PROGRAM ENTRY

$

171-174

32. NON-GRANT INCOME, IF ANY, AT PROGRAM ENTRY

$

175-178

SECTION C: RECORD THE CLIENT'S WIN STATUS.

33. WIN ACTION
- 1 ☐ REGISTRANT ONLY
- 2 ☐ CERTIFIED CLIENT

179-180

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SUPPLEMENTAL CLIENT HISTORY

CLIENT NAME: ______________________ ADDRESS: ____________________ / ____________
STREET CITY

DSS CASE NUMBER: |_|_|_|_|_|_|_|_|_| PHONE NUMBER: __________________ 12-20

INSTRUCTIONS: THE DEPARTMENT OF SOCIAL SERVICES IS CURRENTLY CONDUCTING A STUDY TO EVALUATE ITS JOB PLACEMENT SERVICES. THE PURPOSE OF THIS STUDY IS TO PROVIDE INFORMATION THAT CAN BE USED TO GIVE THE BEST POSSIBLE SERVICES. AS PART OF THIS STUDY WE NEED TO COLLECT SOME ADDITIONAL INFORMATION THAT MAY BE HELPFUL IN FINDING YOU JOBS.

ANSWER EACH QUESTION BY WRITING IN THE ANSWER OR BY CHECKING THE BOX NEXT TO THE CORRECT ANSWER, DEPENDING UPON THE INSTRUCTIONS. IF YOU HAVE ANY ADDITIONAL QUESTIONS ABOUT THIS QUESTIONNAIRE, YOUR COUNSELOR WILL HELP YOU. THANK YOU FOR YOUR COOPERATION.

1. PLEASE RECORD THE HIGHEST GRADE OR YEAR YOU FINISHED AND GOT CREDIT FOR IN REGULAR SCHOOL OR COLLEGE?

______________________________ |_|_| 21-22

2. CHECK THE DIPLOMAS OR DEGREES YOU HAVE RECEIVED. (IF YOU HAVE NOT RECEIVED ANY DIPLOMAS OR DEGREES, CHECK "NONE".)

00 ☐ NONE
1 ☐ HIGH SCHOOL DIPLOMA OR G.E.D.
2 ☐ ASSOCIATE OR JUNIOR COLLEGE DEGREE
3 ☐ BACHELOR'S DEGREE 23-32
99 ☐ OTHER DEGREE (PLEASE DESCRIBE THIS DEGREE)

____

3. WHAT TYPE OF WORK ARE YOU LOOKING FOR NOW? PLEASE LIST AS MANY JOBS AS YOU THINK YOU ARE QUALIFIED FOR.

____

____

____

____

____

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4. KEEPING IN MIND YOUR PAST EXPERIENCES, YOUR EDUCATION AND YOUR JOB TRAINING, WHAT IS THE BEST JOB YOU THINK YOU CAN GET?

____

____

5. DO YOU HAVE A VALID MICHIGAN DRIVER'S LICENSE?

1 ☐ YES
0 ☐ NO 33-34

6. DO YOU OR DOES ANYONE IN YOUR FAMILY OWN AN AUTOMOBILE THAT YOU COULD USE TO GET TO AND FROM WORK?

1 ☐ YES 35-36
0 ☐ NO

7. DO YOU HAVE A CHAUFFEUR'S LICENSE TO DRIVE A TAXICAB OR TRUCK?

1 ☐ YES, TO DRIVE TAXICAB
2 ☐ YES, TO DRIVE TRUCK 37-42
00 ☐ NO CHAUFFEUR'S LICENSE

8. ARE THERE ANY JOBS THAT YOU ARE QUALIFIED FOR THAT YOU WOULD NEED YOUR OWN TOOLS FOR? THIS COULD INCLUDE JOBS LIKE CARPENTRY, PLUMBING, GARDENING, ETC.

1 ☐ YES
0 ☐ NO 43-44

9. DO YOU OWN THE TOOLS YOU WOULD NEED FOR THIS TYPE OF WORK?

1 ☐ YES
0 ☐ NO 45-46

END OF QUESTIONNAIRE

BEST DOCUMENT AVAILABLE

EMPLOYMENT AGENCY REFERRAL FORM

CLIENT NAME: ______________________ **ADDRESS:** ______________ / ______________
STREET CITY 12-20

DSS CASE NUMBER: |_|_|_|_|_|_|_|_|_| **PHONE NUMBER:** ______________

INSTRUCTIONS:

A. COMPLETE THIS FORM EACH TIME YOU REFER THE CLIENT TO A PRIVATE EMPLOYMENT AGENCY. FOR EXAMPLE, IF YOU REFER THIS CLIENT TO 3 AGENCIES DURING HIS OR HER PARTICIPATION IN THE PROGRAM, YOU WOULD COMPLETE 3 FORMS.

B. COMPLETE Q. 1-4 WHEN YOU REFER THE CLIENT TO THE AGENCY. COMPLETE Q.5 AFTER THE AGENCY PLACES THE CLIENT IN A JOB OR WHEN THE CLIENT AND AGENCY RELATIONSHIP IS TERMINATED WITHOUT A PLACEMENT.

C. PLEASE SIGN AND DATE THE FORM AFTER YOU COMPLETE Q.5.

---

1. WHAT IS THE NAME OF THE AGENCY? ______________ |_|_| 21-22

2. WHAT CITY OR TOWN IS THIS AGENCY LOCATED IN? ______________

3. WHEN DID YOU REFER THE CLIENT TO THIS AGENCY? |_|_|_|_|_|_| 23-28
MO DA YR

4. WHY DID YOU REFER THE CLIENT TO THIS AGENCY? CHECK ALL THE REASONS LISTED BELOW THAT APPLY. FEEL FREE TO ADD REASONS THAT ARE NOT LISTED. CHECK "NO REASON" IF THE ASSIGNMENT WAS RANDOM.

1 ☐ GEOGRAPHICAL PROXIMITY
2 ☐ SUCCESS PLACING CLIENTS OF REFERRAL'S RACE
3 ☐ SUCCESS PLACING CLIENTS OF REFERRAL'S AGE
4 ☐ SUCCESS PLACING CLIENTS OF REFERRAL'S SEX 29-50
5 ☐ SUCCESS PLACING CLIENTS OF REFERRAL'S EDUCATIONAL BACKGROUND
6 ☐ SUCCESS PLACING CLIENTS OF REFERRAL'S EMPLOYMENT EXPERIENCE
7 ☐ AGENCY HAS COUNSELING PROGRAM REFERRAL NEEDS
8 ☐ CLIENT REQUESTED THIS AGENCY
99 ☐ OTHER REASON ______________
____
☐ OTHER REASON ______________
____
9 ☐ NO REASON - ASSIGNMENT WAS RANDOM

5. DID THIS AGENCY PLACE THE CLIENT IN A JOB? IF THE CLIENT WAS NOT PLACED, CHECK THE LISTED REASON THAT BEST EXPLAINS WHY. IF THE LISTED REASONS DO NOT EXPLAIN WHY, DESCRIBE THE REASON.

1 ☐ YES 51-52
2 ☐ NO, NORMAL OR EXTENDED ASSIGNMENT ENDED
3 ☐ NO, CLIENT ASKED FOR DIFFERENT AGENCY
4 ☐ NO, AGENCY REQUESTED THAT CLIENT BE TRANSFERRED
99 ☐ NO, SOME OTHER REASON. EXPLAIN ______________
____
____

Signature ______________ Date ______ / ______ / ______
MO DA YR

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REFERRAL DISPOSITION FORM

CLIENT NAME: ____________________ AGENCY NAME: ____________________ |_|_| 21-22

12-20 DSS CASE NUMBER: |_|_|_|_|_|_|_|_|_| AGENCY LOCATION: ____________________
City

AGENCY PHONE NUMBER: ____________________

INSTRUCTIONS TO AGENCY PERSONNEL COMPLETING FORM:

A. ANSWER THE QUESTION BELOW FOR EACH CLIENT SENT TO YOU BY THE DEPARTMENT OF SOCIAL SERVICES.

B. THE PERSON WHO COMPLETES THE FORM SHOULD SIGN AND DATE IT.

C. MAIL THE ORIGINAL TO ______________________________.
YOU MAY KEEP THE COPY FOR YOUR FILES.

23-24 CHECK THE STATEMENT WHICH BEST EXPLAINS WHY YOU ARE NO LONGER WORKING WITH THIS CLIENT.

1 ☐ THE CLIENT WAS SCREENED OUT PRIOR TO AN INTERVIEW WITH THE PEA.

2 ☐ THE CLIENT DID NOT KEEP HIS OR HER APPOINTMENT WITH THE PEA.

3 ☐ THE CLIENT HAD AN INTERVIEW WITH THE PEA BUT THERE WAS NO JOB REFERRAL.

4 ☐ THERE WAS A JOB REFERRAL BUT THE COMPANY CANCELLED THE JOB INTERVIEW.

5 ☐ THERE WAS A JOB REFERRAL BUT THE CLIENT CANCELLED THE JOB INTERVIEW.

6 ☐ THERE WAS A JOB REFERRAL BUT THE CLIENT DID NOT SHOW UP FOR THE JOB INTERVIEW.

7 ☐ THERE WAS A JOB INTERVIEW BUT THE COMPANY DID NOT OFFER THE CLIENT A JOB.

8 ☐ THERE WAS A JOB INTERVIEW BUT THE CLIENT REJECTED THE JOB OFFERED BY THE COMPANY.

9 ☐ THE CLIENT WAS PLACED IN A JOB.

99 ☐ OTHER REASON - PLEASE DESCRIBE: ______________________________

____

SIGNATURE: ____________________

DATE OF COMPLETION: ____/____/____
MO DA YR

BEST DOCUMENT AVAILABLE

CLIENT NAME: ______________________________

ADDRESS: ______________________________
Street

____
City

PHONE NUMBER: ____________________

DSS CASE NUMBER: |_|_|_|_|_|_|_|_|_|
*15

CURRENT ADC STATUS:

ACTIVE 99

INACTIVE
(NEGATIVE
ACTION CODE) . . |_|_| 24

PROGRAM STATUS:

PEA 1 26

E AND T 2

PRECODED:

1st PERIODIC FOLLOW-UP . . .	111111	28
2nd PERIODIC FOLLOW-UP . . .	222222	
3rd PERIODIC FOLLOW-UP . . .	333333	
4th PERIODIC FOLLOW-UP . . .	444444	

MICHIGAN JOB COUNSELOR PROGRAM

FOLLOW-UP INTERVIEW

PRECODED
DATE OF PROGRAM ENTRY: ____/____/____
NC
DATE OF LAST PERIODIC FOLLOW-UP: ____/____/____
NC

Hello, I would like to speak to (NAME OF RESPONDENT). My name is (NAME OF INTERVIEWER) from (NAME OF STATE OFFICE). We are calling people who have participated in the (private employment agencies/employment and training) program conducted by the Oakland County Department of Social Services. We would like to find out about your employment experiences since your entry into the program.

All of the information you give me will be held strictly confidential and will be used only by the Department of Social Services to administer this program and to produce statistical reports. The interview will take about 10 minutes.

CLIENT KNOWN TO BE WORKING FROM PEA PLACEMENT FORM, E&T NOTIFICATION, OR LAST PERIODIC FOLLOW-UP ——→ BEGIN WITH Q.1	. . . 1	34
CLIENT NOT KNOWN TO BE WORKING ——→ BEGIN WITH Q.7	. . . 2	

BEST DOCUMENT AVAILABLE

NOTE TO PRECODER: Qs. 1-7 SHOULD BE PRECODED WITH THE MOST RECENT DATA WE HAVE ABOUT CLIENT'S EMPLOYMENT. (EITHER PLACEMENT NOTIFICATION OR MOST RECENT PERIODIC FOLLOW-UP)

Q.1 Our records show that you started working for ____________________
EMPLOYER NAME

on ________/________/________. Is that correct?
START DATE OF CURRENT JOB

YES ——→ ASK Q.2. . . . . 1 38

NO, STARTED ON ____/____/____ ASK Q.2 . . 2
*38

NO, NEVER WORKED THERE ——→ ASK RESPONDENT TO EXPLAIN AND ASK Q.7 3

____

____

____

NC

Q.2 How did you first hear about this job?

REFERRED BY PEA OR E&T CASE WORKER 1 44

FRIENDS, NEIGHBORS OR RELATIVES 2

ANSWERED AD 3

PROFESSIONAL CONTACTS OR UNION 4

OTHER 99

____

____

NC

* * * ASK Q.3 * * *

BEST DOCUMENT AVAILABLE

Q.3 Are you still working there?

YES ——→ ASK Q.4 . . . . 1 46

NO - LEFT JOB ——→ ASK A-B 0

A. Which of the following best described the way that job ended--you quit, you were laid off, you were fired or was there some other reason?

QUIT 1 48

LAID OFF 2

FIRED 3

SOME OTHER REASON-DESCRIBE . 99

____

____

________________________________ NC

B. When did that job end?

________/________/________
MO DA YR 50

* * * ASK Q.7 * * *

BEST DOCUMENT AVAILABLE

Q.4 Our records also show that you were working as a ______________________,
JOB TITLE

____
DESCRIPTION OF POSITION

Does that correctly describe your current job with (EMPLOYER)?

YES → ASK Q.5 . . . . 1 56

NO → ASK A-C 0

A. What is your current title or position?

____

______________________________ NC

B. What kind of work do you do there? What are some of your main duties?

____

____

______________________________ |__|__| 58

C. When did you first begin doing that kind of work at (EMPLOYER NAME)?

SINCE START OF JOB 999999

SINCE ______/______/______ 60
MO DA YR

* * * ASK Q.5 * * *

BEST DOCUMENT AVAILABLE

Q.5 Your wage rate before taxes and other deductions was ________________
AMOUNT

per ______________ . Is that your current rate of pay?
TIME PERIOD

YES ——→ ASK Q.6 . . . . 1 66

NO ——→ ASK A-C 0

A. Are you currently paid mainly by hourly wages, salary, tips, commission or something else?

HOURLY 1 68
SALARY 2
TIPS 3
COMMISSION 4
PIECE RATE 5
OTHER 99

________________________ NC

B. What is your (hourly wage/salary/ approximate weekly earnings) before taxes and other deductions? (IF THE RESPONDENT RECEIVES TIPS, COMMISSION, PIECE RATE OR A COMBINATION, ASK FOR A WEEKLY ESTIMATE OF TOTAL EARNINGS.)

$ ☐☐☐,☐☐☐.☐☐ 70

PER HOUR 1 77
PER WEEK 2
PER MONTH 3
PER YEAR 4
PER OTHER_______________ . 99
NC

C. When did you begin working at that rate of pay on that job?

SINCE START OF JOB . . 999999

SINCE _____/_____/_____ 79
MO DA YR

* * * ASK Q.6 * * *

BEST DOCUMENT AVAILABLE

Q.6 Our records show that you usually worked ______________ hours per week. Is that about the number of hours per week you work now, including regular overtime?

YES → ASK Q.18 . . . . 1 85

NO → ASK A-B 0

A. How many hours per week do you usually work on that job including regular overtime?

|__|__| HOURS/WEEK 87

B. When did you begin working (HOURS PER WEEK IN Q.6A)?

SINCE START OF JOB . . 999999

SINCE ______/______/______
MO DA YR 89

* * * ASK Q.18 * * *

Q.7 What have you been doing most of the time since (DATE OF PROGRAM ENTRY/ DATE OF LAST PERIODIC FOLLOWED/DATE JOB ENDED IN Q.3B IF HAD A JOB)-- working, keeping house, going to school or something else?

WORKING → ASK Q.8 . . . . 1 95

KEEPING HOUSE → ASK A 2

GOING TO SCHOOL → ASK A 3

LOOKING FOR WORK → ASK A 4

SOMETHING ELSE → GET DESCRIPTION AND
ASK A ______________________________

____

______________________________ . . 99
NC

A. During this period have you done any work at all for pay?

YES → ASK Q.8 . . . . . 1 97

NO → ASK Q.18 0

BEST DOCUMENT AVAILABLE

Q.8 INTERVIEWER: FIRST ASK RESPONDENT QUESTIONS A-B. THEN ASK C-D FOR EACH EMPLOYER MENTIONED. FINALLY, FOLLOW INSTRUCTIONS IN E FOR TRANSFERRING DATES TO FOLD OUT PAGE.

A. Who have you worked for - what companies, organizations, or persons? ——→ LIST BELOW IN D

B. Any others? ——→ LIST BELOW IN D

C. Now, when did you first start working for (FIRST EMPLOYER)? RECORD START DATE BELOW

D. Are you still working there now?

YES ——→ CHECK "STILL WORKING" 1

NO ——→ ASK: When did that job end? RECORD END DATE FOR THAT EMPLOYER 0

EMPLOYER	START DATE (Q.9)	END DATE (Q.10)
1. ____________________	____/____/____	____/____/____
____________________		☐ STILL WORKING
2. ____________________	____/____/____	____/____/____
____________________		☐ STILL WORKING
3. ____________________	____/____/____	____/____/____
____________________		☐ STILL WORKING
4. ____________________ NC	____/____/____ NC	____/____/____ NC
____________________		☐ STILL WORKING

NO. EMPLOYERS ☐ •99
(COMPLETED BY CODER)

E. TRANSFER THE FOLLOWING INFORMATION TO Q.9-10 OF THE GRID ON THE FOLD OUT PAGE.

(1) IF THE CLIENT IS STILL WORKING, RECORD THE START DATE OF THAT JOB IN Q.9 IN THE "CURRENT JOB" COLUMN.

(2) IF THE CLIENT HAD ONE OR MORE JOBS THAT ENDED, RECORD THE START AND END DATES OF THE LONGEST JOB IN Q.9-10 OF THE "OTHER JOB" COLUMN.

(3) ASK Q.11-17 FOR THE JOBS WHOSE DATES YOU RECORDED IN Q.9-10.

BEST DOCUMENT AVAILABLE

	101 A CURRENT JOB	126 B OTHER JOB
Q.9 START DATE	☐ CODER ONLY ___/___/___ MO DA YR 103	☐ CODER ONLY ___/___/___ MO DA YR 128
Q.10 END DATE		___/___/___ MO DA YR 134
Q.11 What (is/was) your title or position on this job?	________ ________ ________ NC	________ ________ ________ NC
Q.12 What kind of work (do/did) you do there? What (are/were) some of your main duties?	109 ________ ________ ________ ________ ☐☐	140 ________ ________ ________ ________ ☐☐
Q.13 How did you first hear about this job?	111 REFERRED BY PEA OR E&T CASE WORKER . . . . 1 FRIENDS, NEIGHBORS, OR RELATIVES . . . . 2 ANSWERED AD . . . . 3 PROFESSIONAL CONTACTS OR UNION . . . . 4 OTHER . . . . 99 ________ NC	142 REFERRED BY PEA OR E&T CASE WORKER . . . . 1 FRIENDS, NEIGHBORS, OR RELATIVES . . . . 2 ANSWERED AD . . . . 3 PROFESSIONAL CONTACTS OR UNION . . . . 4 OTHER . . . . 99 ________ NC
Q.14 (Are/Were) you paid mainly by hourly wages, salary, tips, commission or something else?	113 HOURLY . . . . 1 SALARY . . . . 2 TIPS . . . . 3 COMMISSION . . . . 4 PIECE RATE . . . . 5 OTHER . . . . 99 ________ NC	144 HOURLY . . . . 1 SALARY . . . . 2 TIPS . . . . 3 COMMISSION . . . . 4 PIECE RATE . . . . 5 OTHER . . . . 99 ________ NC
Q.15 What (is/was) your (hourly wage/salary/approximate weekly earnings) before taxes and other deductions? (IF THE RESPONDENT RECEIVES/RECEIVED TIPS, COMMISSIONS, PIECE RATE, OR A COMBINATION, ASK FOR A WEEKLY ESTIMATE OF TOTAL EARNINGS.)	115 $☐☐,☐☐☐.☐☐ PER HOUR . . . . 1 PER WEEK . . . . 2 PER MONTH . . . . 3 PER YEAR . . . . 4 PER OTHER . . . . 99 122 ________ NC	146 $☐☐,☐☐☐.☐☐ PER HOUR . . . . 1 PER WEEK . . . . 2 PER MONTH . . . . 3 PER YEAR . . . . 4 PER OTHER . . . . 99 153 ________ NC
Q.16 How many hours per week (do/did) you usually work on that job, including regular overtime?	124 ☐☐ HOURS/WEEK * * * ASK ABOUT OTHER JOB. IF NO OTHER JOB, ASK Q.18 * * *	155 ☐☐ HOURS/WEEK
Q.17 Which of the following best describes how this job ended--you quit, were laid off, you were fired, or something else?		QUIT . . . . 1 157 LAID OFF . . . . 2 FIRED . . . . 3 OTHER - DESCRIBE . . . . . 99 ________ ________ * * * ASK Q.18 * * * NC

BEST DOCUMENT AVAILABLE

NOTE TO INTERVIEWER: IF THIS IS OTHER THAN FIRST PERIODIC FOLLOW-UP, SKIP TO END OF INTERVIEW.

Q.18 Finally, I have a few questions about your experiences with the (private employment agencies/employment and training) program.

Did the (employment counselor/case worker) in the program refer you to any jobs?

YES → How many? ☐☐ ASK Q.19 15

NO → ASK A 0

A. In your opinion, why didn't the (employment counselor/case worker) refer you to any employers about jobs? RECORD ANSWER VERBATIM. PROBE FOR MORE THAN ONE ANSWER.

____

____

____

____

____

CODER ONLY: ☐☐ ☐☐ ☐☐ 17

B. IF MORE THAN ONE ANSWER GIVEN IN A, ASK: What do you think was the single most important reason why you weren't referred to any jobs? RECORD ANSWER VERBATIM.

____

____

____

CODER ONLY: ☐☐ 23

* * * ASK Q.28 * * *

BEST DOCUMENT AVAILABLE

Q.19 Did you go on interviews for jobs at any of the employers you were referred to by the (employment counselors/case worker)?

YES ⟶ How many? ☐☐ ASK Q.20 25

NO ⟶ ASK Q.25, VERSION A 0

Q.20 Did (any of) the employer(s) who interviewed you offer you jobs?

YES ⟶ How many? ☐☐ ASK Q.21 27

NO ⟶ GO TO Q.24 0

Q.21 Did you turn down (any of these/this) job offer(s)?

YES ⟶ How many? ☐☐ ASK Q.22 29

NO ⟶ GO TO Q.24 0

BEST DOCUMENT AVAILABLE

Q.22 Why did you turn down (this/these) job offer(s)?

PROBE FOR MULTIPLE RESPONSES: Anything else?

CIRCLE ALL THAT APPLY	YES	NO	
DIDN'T HAVE NECESSARY SKILLS	1	0	31
OVER-TRAINED FOR JOBS	1	0	33
PAY TOO LOW	1	0	35
BAD WORKING CONDITIONS	1	0	37
LACK OF TRANSPORTATION	1	0	39
LACK OF CHILD CARE	1	0	41
DIDN'T WANT THAT LINE OF WORK	1	0	43
WOULD LOSE WELFARE BENEFITS	1	0	45
OTHER - SPECIFY:	1	0	47

____ NC

Q.23 IF MORE THAN ONE REASON CIRCLED IN Q.22, ASK: What was the single most important reason you turned down the job offered by the last employer you were referred to?

ONLY ONE REASON	0	49
DIDN'T HAVE NECESSARY SKILLS	1	
OVER-TRAINED FOR JOBS	2	
PAY TOO LOW	3	
BAD WORKING CONDITIONS	4	
LACK OF TRANSPORTATION	5	
LACK OF CHILD CARE	6	
DIDN'T WANT THAT LINE OF WORK	7	
WOULD LOSE WELFARE BENEFITS	8	
OTHER - SPECIFY:	99	

____ NC

BEST DOCUMENT AVAILABLE

Q.24 INTERVIEWER CHECK: DID CLIENT GO ON JOB INTERVIEWS FOR ALL REFERRALS? (SEE Q.18-19)

YES ——→ ASK Q.27 . . . . 1 51

NO ——→ ASK Q.25, VERSION B 0

Q.25 VERSION A: Why didn't you go on (a) job interview(s) to the employer(s) you were referred to?

VERSION B: You mentioned that you were referred to (NUMBER IN Q.18) jobs, and that you went on job interviews for (NUMBER IN Q.19) of them. Why didn't you go on (a) job interview(s) for (this/these) other employer(s)?

PROBE FOR MULTIPLE RESPONSES: Anything else?

CIRCLE ALL THAT APPLY	YES	NO	
DIDN'T HAVE NECESSARY SKILLS	1	0	53
OVER-TRAINED FOR JOBS	1	0	55
PAY TOO LOW	1	0	57
BAD WORKING CONDITIONS	1	0	59
LACK OF TRANSPORTATION	1	0	61
LACK OF CHILD CARE	1	0	63
DIDN'T WANT THAT LINE OF WORK	1	0	65
WOULD LOSE WELFARE BENEFITS	1	0	67
EMPLOYER CANCELLED INTERVIEW	1	0	69
OTHER - SPECIFY:	1	0	71

______________________________________ NC

BEST DOCUMENT AVAILABLE

Q.26 IF MORE THAN ONE REASON CIRCLED IN Q.25, ASK: What was the single most important reason you didn't go on a job interview with the (last) employer you were referred to?

ONLY ONE REASON	0	73
DIDN'T HAVE NECESSARY SKILLS	1	
OVER-TRAINED FOR JOBS	2	
PAY TOO LOW	3	
BAD WORKING CONDITIONS	4	
LACK OF TRANSPORTATION	5	
LACK OF CHILD CARE	6	
DIDN'T WANT THAT LINE OF WORK	7	
WOULD LOSE WELFARE BENEFITS	8	
EMPLOYER CANCELLED INTERVIEW	9	
OTHER - SPECIFY:	99	

______________________________________ NC

Q.27 In your opinion, were you qualified for (most of) the job(s) the (employment counselor/case worker) referred you to, over-qualified for (most of) the job(s), or under-qualified for (most of) the job(s)?

QUALIFIED FOR MOST JOBS	1	75
OVER-QUALIFIED FOR MOST JOBS	2	
UNDER-QUALIFIED FOR MOST JOBS	3	
OVER-QUALIFIED FOR SOME AND UNDER-QUALIFIED FOR OTHERS	4	

BEST DOCUMENT AVAILABLE

Q.28 Now I'm going to read a list of other services that (private employment agencies/the Department of Social Services Employment Program) might provide some people looking for jobs. Please tell me whether you received any of these services. Did they . . .

CIRCLE YES OR NO FOR EACH

		YES	NO	
A.	teach you how to apply for jobs?	1	0	77
B.	help you fill out job applications and contact employers?	1	0	79
C.	help you decide on a career or occupation that matched your skills?	1	0	81
D.	increase your confidence in looking for work?	1	0	83
E.	test you to see what jobs you are qualified or suited for?	1	0	85
F.	give you information about jobs in other areas or towns?	1	0	87
G.	refer you to a job training program?	1	0	89
H.	refer you to a high school equivalency or other education program?	1	0	91
I.	refer you to other agencies which might help you find a job?	1	0	93
J.	provide any other assistance in finding you a job? IF YES, ASK: What else?	1	0	95

1. ______________________________

______________________________ ☐☐ 97

2. ______________________________

______________________________ ☐☐ 99

DEST DOCUMENT AVAILABLE

Q.29 Now, taking everything into consideration, how effective do you think the (private employment agencies/employment and training) program is in finding jobs for people like yourself--very effective, fairly effective, not too effective or not at all effective?

VERY EFFECTIVE 1 101
FAIRLY EFFECTIVE 2
NOT TOO EFFECTIVE 3
NOT AT ALL EFFECTIVE 4
NO OPINION 5

Q.30 Finally, do you think this program should be continued without any changes, continued--but with some changes, or ended?

CONTINUED WITHOUT CHANGES ⟶ END 1 193
CONTINUED WITH CHANGES ⟶ ASK A 2
ENDED ⟶ END 3
NO OPINION ⟶ END 4

A. How do you think it should be changed? (RECORD VERBATIM)

____

NC

* * * END * * *

Thank you very much for your cooperation.

BEST DOCUMENT AVAILABLE

RECORD OF INTERVIEW ATTEMPTS AND FINAL STATUS

INSTRUCTIONS TO INTERVIEWER:

A. FILL OUT ONE COLUMN OF THE RECORD OF INTERVIEW ATTEMPTS EACH TIME YOU TRY REACHING THE CLIENT FOR AN INTERVIEW OR THE CLIENT CALLS YOU. RECORD THE TIME, DATE, AND STATUS OF THE CALL. STATUS CODES ARE LISTED BELOW. USE THE COMMENTS SECTION TO RECORD ANY INFORMATION ABOUT A CONTACT THAT DID NOT RESULT IN A COMPLETED INTERVIEW THAT WOULD BE HELPFUL IN MAKING THE NEXT CALL.

B. AFTER YOU HAVE COMPLETED THE INTERVIEW OR YOU HAVE MADE THE NUMBER OF ATTEMPTS SPECIFIED IN YOUR INSTRUCTIONS, CIRCLE THE CODE THAT DESCRIBES THE FINAL STATUS OF THE INTERVIEW.

A. RECORD OF INTERVIEW ATTEMPTS

	1ST	2ND	3RD	4TH	5TH	6TH
TIME:						
DATE:	__/__/__	__/__/__	__/__/__	__/__/__	__/__/__	__/__/__
STATUS:						
COMMENTS:						

NC

STATUS:
C - COMPLETE
PC - PARTIAL COMPLETE
RF - REFUSAL
APPT - APPOINTMENT TO CALL BACK. RECORD TIME IN COMMENTS.

NH - CLIENT NOT AT HOME
NA - NO ANSWER
OTHER - DESCRIBE______________________

____

NOTE: IF YOU GET A WRONG NUMBER OR BUSY SIGNAL, CALL AGAIN. DO NOT COUNT TOWARD MAXIMUM NUMBER OF ATTEMPTS.

B. WHAT WAS THE OUTCOME OF YOUR ATTEMPT TO INTERVIEW THE CLIENT?

COMPLETED INTERVIEW 1 105

PARTIALLY COMPLETED INTERVIEW - SOME QUESTIONS REFUSED OR NOT KNOWN 2

ENTIRE INTERVIEW REFUSED BY CLIENT 3

CLIENT COULD NOT BE LOCATED FOR INTERVIEW - DESCRIBE WHY 4

____

____

BEST DOCUMENT AVAILABLE

PROGRAM PARTICIPATION AND JOB PLACEMENT FORM

CLIENT NAME: ______________________________ PHONE NUMBER: ________________

ADDRESS: ______________________________________ / ______________________________
STREET CITY

DSS CASE NUMBER:
*15

INSTRUCTIONS:

A. COMPLETE THIS FORM FOR EVERY CLIENT ASSIGNED TO PEA OR E&T STATUS IN THE PEA-1115 PROGRAM.
B. ANSWER EACH QUESTION UNLESS THERE IS AN INSTRUCTION TO SKIP OVER IT BECAUSE IT DOES NOT APPLY TO THE CLIENT.
C. IF THE INFORMATION IS NOT AVAILABLE FOR A SPECIFIC ITEM, WRITE "MISSING" AND GO ON TO THE NEXT ITEM.
D. THIS FORM HAS 5 PAGES.

---

1. CLIENT STATUS:

24 1 PEA
2 E&T

2. DATE ASSIGNMENT TO PEA OR E&T STATUS MADE:

26 MO DA YR

3. DATE OF ENTRY INTO PROGRAM (FOR PEAs THIS IS THE DATE THE FIRST ORIENTATION LETTER WAS SENT; FOR E&Ts THIS IS THE DATE THE CASE WAS SENT TO THE CASE WORKER):

32 MO DA YR

4. DATE OF INITIAL PERSONAL CONTACT (ANSWER "A" FOR E&T CLIENTS; ANSWER "B AND C" FOR PEA CLIENTS)

A. FIRST PERSONAL CONTACT WITH E&T WORKER:

38 MO DA YR

999999 NO CONTACT

B. DATE OF PEA ORIENTATION ATTENDED BY CLIENT:

44 MO DA YR

999999 NO CONTACT

C. TOTAL NUMBER OF PEA ORIENTATIONS SCHEDULED FOR CLIENT (INCLUDING THE ONE ACTUALLY ATTENDED):

50

BEST DOCUMENT AVAILABLE

5. CIRCLE BELOW WHETHER THE CLIENT WAS REFERRED TO DAY CARE, HOUSING OR ANY OTHER SOCIAL SERVICE THAT WAS NOT PROVIDED BY THE PEA OR E&T UNIT. DESCRIBE ANY OTHER SOCIAL SERVICES. FOR EACH SERVICE CIRCLED OR DESCRIBED, RECORD THE DATE OF REFERRAL, DATE THE SERVICE ENDED AND ANY COMMENTS.

		A		B	C	
		REFERRED		DATE OF REFERRAL	DATE SERVICE ENDED	
	SERVICE	YES	NO			COMMENTS
5.01	DAY CARE	1 52	0	MO DA YR 54	MO DA YR 60	
5.02	HOUSING	1 66	0	MO DA YR 68	MO DA YR 74	
	OTHER SERVICES:					
5.10	____________ 94	1 80	0	MO DA YR 82	MO DA YR 88	
5.20	____________ 110	1 96	0	MO DA YR 98	MO DA YR 104	
5.30	____________ 126	1 112	0	MO DA YR 114	MO DA YR 120	
5.40	____________ 142	1 128	0	MO DA YR 130	MO DA YR 136	
5.50	____________ 158	1 144	0	MO DA YR 146	MO DA YR 152	

BEST DOCUMENT AVAILABLE

6. WAS THE CLIENT REFERRED TO ANY PRIVATE EMPLOYMENT AGENCIES (IF CLIENT STATUS PEA) OR ASSIGNED TO A CASE WORKER FOR JOB COUNSELING (IF CLIENT STATUS E&T)?

15 1 YES ⟶ GO TO Q.7

0 NO ⟶ ANSWER A

A. WHY WASN'T THE CLIENT REFERRED TO A PEA OR ASSIGNED TO AN E&T CASE WORKER FOR JOB COUNSELING? (CIRCLE YES OR NO FOR EACH OF THE REASONS LISTED BELOW. RECORD ANY ADDITIONAL REASONS NOT LISTED.)

	YES	NO	
17	1	0	DIDN'T COME TO ORIENTATION
19	1	0	MEDICAL PROBLEM
21	1	0	NO TRANSPORTATION AVAILABLE
23	1	0	HAD TO STAY AT HOME BECAUSE OF CHILDREN'S AGE OR CONDITION
25	1	0	ADEQUATE CHILD CARE NOT AVAILABLE
27	1	0	ALREADY EMPLOYED
29	1	0	OTHER - SPECIFY: ____________________

____

7. WAS THE CLIENT PLACED IN A JOB THROUGH A PEA OR E&T REFERRAL?

31 1 YES ⟶ HOW MANY? ☐ *33 CONTINUE WITH INSTRUCTION A BELOW.

0 NO ⟶ END OF FORM

A. INSTRUCTION:

ANSWER Q.s 8-13 FOR ALL CLIENTS PLACED IN JOBS THROUGH E&T OR PEA REFERRAL. ALSO ANSWER Q.14 FOR PEA CLIENTS. FOR CLIENTS PLACED IN MORE THAN 2 JOBS, RECORD ANSWERS FOR THE LAST AND NEXT TO LAST PLACEMENTS.

BEST DOCUMENT AVAILABLE

	LAST JOB PLACEMENT	NEXT TO LAST JOB PLACEMENT
	35 ☐ CODER ONLY	88 ☐ CODER ONLY
8. DATE SCHEDULED TO START WORK:	MO DA YR 37	MO DA YR 90
9. DATE JOB ENDED (CHECK STILL EMPLOYED IF APPLICABLE):	MO DA YR 999999 STILL EMPLOYED 43	MO DA YR 999999 STILL EMPLOYED 96
10. TITLE OR POSITION:		
11. TYPE OF WORK--MAIN DUTIES OR TASKS:	49	102
12. RATE OF PAY (IF PAID PARTIALLY OR IN FULL IN TIPS, COMMISSIONS OR PIECE RATE, ESTIMATE WEEKLY EARNINGS)	51 $ 1 PER HOUR 2 PER WEEK 3 PER MONTH 4 PER YEAR 58 99 PER OTHER	104 $ 1 PER HOUR 2 PER WEEK 3 PER MONTH 4 PER YEAR 111 99 PER OTHER
13. EXPECTED NUMBER OF HOURS PER WEEK:	HOURS/WEEK 60	HOURS/WEEK 113

* * * END OF FORM FOR E&T CLIENTS. CONTINUE WITH Q.14 FOR PEA CLIENTS * * *

BEST DOCUMENT AVAILABLE

	LAST JOB PLACEMENT	NEXT TO LAST JOB PLACEMENT
14. FOR PEA PLACEMENT ONLY:		
A. NAME AND CODE OF PEA	62	115
B. HAS INITIAL FEE BEEN PAID? (IF YES, RECORD AMOUNT AND DATE OF PAYMENT.)	64 1 YES 0 NO 66 $ 70 MO DA YR	117 1 YES 0 NO 119 $ 123 MO DA YR
C. HAS BONUS FEE BEEN PAID? (IF YES, RECORD AMOUNT AND DATE OF PAYMENT.)	76 1 YES 0 NO 78 $ 82 MO DA YR	129 1 YES 0 NO 131 $ 135 MO DA YR

BEST DOCUMENT AVAILABLE

CHARACTERISTICS OF PRIVATE EMPLOYMENT AGENCIES

NAME OF AGENCY: ____________ DO NOT FILL IN 12-13

ADDRESS OF AGENCY: ____________ / ____________
STREET OR P.O. BOX / CITY

PHONE NUMBER: ____________

INSTRUCTIONS TO AGENCY PERSONNEL COMPLETING FORM:

A. COMPLETE THE QUESTIONS IN THIS FORM FROM YOUR OFFICE'S RECORDS OR YOUR BEST ESTIMATES. IF YOUR AGENCY HAS MORE THAN ONE OFFICE IN OAKLAND COUNTY, ANSWER THESE QUESTIONS ONLY FOR YOUR OFFICE.

B. THE PERSON WHO COMPLETES THE FORM SHOULD SIGN AND DATE IT.

C. MAIL THE ORIGINAL TO ____________
YOU MAY KEEP THE COPY FOR YOUR FILES.

---

1. IN WHAT YEAR WAS THIS OFFICE ESTABLISHED? 19______. 14-15

2. HOW MANY PROFESSIONAL EMPLOYEES ARE CURRENTLY EMPLOYED IN YOUR OFFICE? ____ 16-18

3. HOW MANY CLERICAL AND OTHER NON-PROFESSIONAL EMPLOYEES ARE CURRENTLY EMPLOYED IN YOUR OFFICE? ____ 19-21

4. HOW MANY JOB PLACEMENTS DID YOU MAKE DURING THE LAST CALENDAR YEAR FROM YOUR OFFICE? (IF ONE CLIENT WAS PLACED IN MORE THAN ONE JOB, COUNT EACH PLACEMENT SEPARATELY.) ____ 22-25

   a. WAS THIS TOTAL BASED ON:

   ☐ RECORDS

   OR 26-27

   ☐ YOUR BEST ESTIMATE

5. HOW MANY JOB PLACEMENTS DID YOU MAKE DURING THE LAST CALENDAR MONTH FROM YOUR OFFICE? (AGAIN, COUNT EACH PLACEMENT SEPARATELY.) ____ 28-31

   a. WAS THIS TOTAL BASED ON:

   ☐ RECORDS

   OR 32-33

   ☐ YOUR BEST ESTIMATE

6. PLEASE RECORD THE PROPORTION OF YOUR JOB PLACEMENTS IN THE LAST CALENDAR YEAR WHO WERE PLACED IN EACH OF THE FOLLOWING OCCUPATIONAL GROUPS. (CHECK TO BE SURE THE TOTAL ADDS UP TO 100 PERCENT.)

   ____ PERCENT PROFESSIONAL, TECHNICAL AND MANAGERIAL WORKERS
   ____ PERCENT CLERICAL AND SALES WORKERS
   ____ PERCENT SERVICE WORKERS (INCLUDING CLEANING, FOOD, HEALTH, PERSONAL AND PROTECTIVE SERVICES, AS WELL AS PRIVATE HOUSEHOLD WORKERS) 34-43
   ____ PERCENT SKILLED BLUE COLLAR WORKERS (SUCH AS CRAFTSMEN, OPERATIVES AND TRANSPORTATION EQUIPMENT WORKERS)
   ____ PERCENT UNSKILLED BLUE COLLAR WORKERS (LABORERS AND FARM WORKERS)

7. WHAT IS YOUR FEDERAL EMPLOYER'S NUMBER? ____-____ 44-52

SIGNATURE ____________

DATE OF COMPLETION ______/______/______
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APPENDIX B

FOLLOW-UP INTERVIEW RESPONSE RATE ANALYSIS

The follow-up interview was an important component of the overall data collection procedure. This instrument provided all of the data concerning jobs found by clients on their own, important information on job duration and clients' experiences with and attitudes towards the program. It is of some importance, therefore, to examine interview response patterns. Because most of the analysis in this report is based on an examination of differences in labor market experiences between experimental and control clients, it is particularly important to assess whether interview response patterns varied by experimental status. Even if response patterns were somewhat different among demographic groups, such differences could be expected largely to cancel each other out when comparing experimentals and controls, if non-response patterns were similar for both groups.

In Oakland County, interviews were completed with 71 percent of the experimental clients and with 70 percent of the control clients. The comparable numbers for Wayne County, 49 percent and 60 percent, are somewhat lower, reflecting at least in part the fact that the Wayne County program was in operation for a much shorter period, and therefore interaction with a greater proportion of the clients in Wayne County occurred only at the end of the period, so no periodic follow-up was attempted.

Table B.1 displays data by experimental and control status for each county on selected characteristics of clients for whom interviews were and were not completed. For the most part, this table shows no significant patterns with regard to response rate differences. An exception to this generalization is that in Oakland County, females had a substantially

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TABLE B.1

SELECTED CHARACTERISTICS OF CLIENTS WHO COMPLETED A FOLLOW-UP INTERVIEW AS COMPARED TO THOSE NOT INTERVIEWED

	Oakland				Wayne			
	PEA		Control		PEA		Control	
	Complete Interview	No Interview	Complete Interview	No Interview	Complete Interview	No Interview	Complete Interview	No Interview
Highest grade completed								
Less than 8	6.2	3.5	6.0	2.6	2.6	2.1	2.0	1.6
8 - 11	56.1	59.1	54.7	63.5	37.5	31.4	44.6	37.9
12	30.6	31.3	32.4	27.7	53.3	59.4	51.9	55.6
More than 12	7.1	6.2	6.8	6.3	6.5	7.1	1.5	4.8
Prior work experience	74.3	68.2	68.1	66.9	74.0	75.4	60.3	68.0
Access to car	53.8	49.6	N.A.	N.A.	34.4	36.0	N.A.	N.A.
Female	83.3	72.7	83.6	70.4	90.2	92.3	92.3	89.8
Win Status								
Registrant	85.2	84.8	89.6	88.8	83.3	92.0	83.6	86.0
Certified	14.8	15.2	10.4	11.2	16.7	8.0	16.4	14.0
Mandatory	92.1	93.0	93.5	93.7	78.9	78.2	83.1	77.0
Voluntary	7.9	7.0	6.5	6.3	21.1	21.8	16.9	23.0
Ethnicity								
White	76.8	78.7	76.3	83.7	18.7	20.7	16.7	22.7
Black	21.2	16.6	20.2	13.3	80.2	77.9	82.4	76.7
Other	2.0	4.7	3.5	3.0	1.1	1.3	0.9	0.6

NOTE: N.A. = Not available.

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higher response rate than did males in both the experimental and control samples. Table B.2, which presents the results of a probit analysis of interview completion probabilities for the Oakland County samples, shows that these differences between sexes are statistically significant. Being male significantly lowered the probability of completion for both experimentals and controls. This table also shows that for both samples in Oakland County, older clients were significantly more likely to complete an interview than were younger persons, and that clients with recent case openings were somewhat less likely to complete an interview than those with earlier case openings. Also, for controls, whites were somewhat less likely than Blacks to complete an interview.

Table B.3 presents the results of the analogous probit nonresponse analysis for Wayne County. Most of the coefficients in the estimated equations were not statistically significant, and overall patterns of nonresponse are again similar between experimentals and controls.

In general, it appears that responders were reasonably similar to nonresponders in most respects. This suggests that nonresponse problems in all likelihood do not significantly affect the conclusions of this report, which are based principally on observed differences between experimentals and controls.

TABLE B.2

PROBIT ANALYSIS OF INTERVIEW COMPLETIONS

Oakland

Independent Variable	Experimental: Change in Probability from Independent Variable[a]	Experimental: t Statistic	Control: Change in Probability from Independent Variable	Control: t Statistic
Constant	+0.267	3.608*	+0.354	3.815*
Male (=1 if male; =0 if female)	-0.083	2.406*	-0.120	2.831*
White (=1 if client is white; =0 if Black or other)	-0.002	0.076	-0.115	2.810*
Handicap (=1 if client has mental or physical handicap; =0 otherwise)	+0.060	1.440	+0.049	0.956
Education Level I (=1 if highest grade completed is 9-11, =0 otherwise)	-0.059	1.323	-0.047	0.832
Education Level II (=1 if client has high school diploma; =0 otherwise)	-0.089	1.942*	-0.031	0.526
Work Experience (=1 if client has previous work experience, =0 otherwise)	+0.044	1.466	+0.011	0.292
Age under 18 (=1 if age under 18, = 0 otherwise)	-0.208	2.154*	-0.161	1.344
Age 18 - 21	-0.077	1.707*	-0.018	0.312
Age 22 - 25	+0.021	0.365	-0.088	1.274
Age 31 - 40	+0.057	1.554	+0.025	0.549
Age 41 - 50	+0.075	1.656	+0.068	1.084
Age over 50	+0.172	2.572*	+0.321	3.251*
Recent Opening (=1 if MDSS case was opened in year prior to program entry; =0 otherwise)	-0.095	3.696*	-0.093	2.907*
Mandatory (=1 if client is mandatory WIN registrant; =0 if otherwise)	-0.005	0.103	-0.002	0.025
Certified (=0 if client is registrant only; =1 if WIN certified)	-0.050	1.368	-0.033	0.636
Sample Size[b]	1,352		861	

NOTE: Asterisk indicates estimated change in probability is statistically different from zero at the 90% level using a two-tailed test.

[a] All changes in probabilities are evaluated at the mean probability for the sample.

[b] Observations with missing data were not included in estimating the equations.

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TABLE B.3

PROBIT ANALYSIS OF INTERVIEW COMPLETIONS

Wayne

Independent Variable	Experimental		Control	
	Change in Probability from Independent Variable[a]	t Statistic	Change in Probability from Independent Variable	t Statistic
Constant	-0.100	1.050	+0.099	0.892
Male (=1 if male; =0 if female)	-0.079	1.039	-0.109	1.202
White (=1 if client is white; =0 if Black or other)	-0.022	0.516	-0.101	1.972*
Handicap (=1 if client has mental or physical handicap; =0 otherwise)	+0.107	1.691*	-0.002	0.025
Education Level I (=1 if highest grade completed is 9-11, =0 otherwise)	+0.131	1.591	+0.036	0.386
Education Level II (=1 if client has high school diploma; =0 otherwise)	+0.065	0.794	-0.052	0.540
Work Experience (=1 if client has previous work experience, =0 otherwise)	+0.020	0.487	-0.065	1.470
Age under 18 (=1 if age under 18, = 0 otherwise)	-0.027	0.128	-0.190	1.241
Age 18 - 21	+0.112	1.228	-0.061	0.630
Age 22 - 25	-0.052	0.725	+0.043	0.525
Age 31 - 40	-0.056	1.265	+0.016	0.306
Age 41 - 50	+0.008	0.150	+0.083	1.228
Age over 50	+0.227	1.709*	+0.106	0.908
Recent Opening (=1 if MDSS case was opened in year prior to program entry; =0 otherwise)	-0.079	1.498	-0.049	0.827
Mandatory (=1 if client is mandatory WIN registrant; =0 if otherwise)	+0.008	0.174	+0.076	1.389
Certified (=0 if client is registrant only; =1 if WIN certified)	+0.236	3.865*	+0.129	1.871*
Sample Size[b]	898		626	

NOTE: Asterisk indicates estimated change in probability is statistically different from zero at the 90% level using a two-tailed test.

[a] All changes in probabilities are evaluated at the mean probability for the sample.

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